

STATE OF SOUTH CAROLINA

Application by South Carolina Electric & Gas Company for
Authority to Issue and Sell from Time to Time Not
Exceeding \$600,000,000 Aggregate Principal Amount of
First Mortgage Bonds

Application of South Carolina Electric & Gas Company for
Authority to Issue and Sell from Time to time Not
Exceeding \$975,000,000 Aggregate Principal Amount of
First Mortgage Bonds

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

COVER SHEET

DOCKET

**NUMBERS: 2009 - 33 - E
2010 - 317 - E**

(Please type or print)

Submitted by: K. Chad Burgess

SC Bar Number: 69456

Address: SCANA Corp.
220 Operation Way MC C222
Cayce, SC 29033

Telephone: 803-217-8141

Fax: 803-217-7931

Other: _____

Email: chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ **Emergency Relief demanded in petition** ☐ **Request for item to be placed on Commission's Agenda expeditiously**
- ☐ **Other:** _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigator
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	



K. Chad Burgess
Associate General Counsel

chad.burgess@scana.com

October 25, 2011

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Application of South Carolina Electric & Gas Company for Authority to Issue and Sell from Time to Time Not Exceeding \$600,000,000 Aggregate Principal Amount of First Mortgage Bonds
Docket No. 2009-33-E

Application of South Carolina Electric & Gas Company for Authority to Issue and Sell from Time to Time Not Exceeding \$975,000,000 Aggregate Principal Amount of First Mortgage Bonds
Docket No. 2010-317-E

Dear Ms. Boyd:

By Order No. 2009-108, dated February 25, 2009, issued in Docket No. 2009-33-E, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") "to issue and sell from time to time not exceeding Six Hundred Million Dollars (\$600,000,000) aggregate principal amount of its First Mortgage Bonds. . . ." Pursuant to Order No. 2009-108, the Company is required to file copies of any sales agreement entered into in connection with the issuance and sale of each series of bonds.

Also, by Order No. 2010-660, dated September 30, 2010, issued in Docket No. 2010-317-E, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") "to issue and sell from time to time not exceeding Nine Hundred Seventy-Five Million Dollars (\$975,000,000) aggregate principal amount of its First Mortgage Bonds. . . ." Pursuant to Order No. 2010-660, the Company is required to file copies of any sales agreement entered into in connection with the issuance and sale of each series of bonds.

The purpose of this letter is to advise the Commission that the Company entered into a Bond Purchase Agreement dated October 18, 2011, with New York Life Insurance Company and certain other purchasers as more fully described in Schedule A of the Bond Purchase Agreement, for the issuance and sale of \$30,000,000 aggregate principal amount of its First Mortgage Bonds.

The Honorable Jocelyn G. Boyd
October 25, 2011
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In compliance with Order Nos. 2009-108 and 2010-660, you will find enclosed for filing only a copy of the Bond Purchase Agreement.

By copy of this letter we are also providing a copy of the Bond Purchase Agreement to the South Carolina Office of Regulatory Staff.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms
Enclosures

cc: Jeffrey M. Nelson, Esquire
John Flitter
(both first class mail w/enclosures)

SOUTH CAROLINA ELECTRIC & GAS COMPANY

BOND PURCHASE AGREEMENT

Dated October 18, 2011

\$30,000,000 First Mortgage Bonds, 3.22% Series due October 18, 2021

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SCHEDULE A	—	Information Relating To Purchasers
SCHEDULE B	—	Defined Terms
SCHEDULE 5.5	—	Financial Statements
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EXHIBIT A	—	Form of Supplemental Indenture
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**SOUTH CAROLINA ELECTRIC & GAS COMPANY
100 SCANA PARKWAY
CAYCE, SOUTH CAROLINA 29033**

\$30,000,000 First Mortgage Bonds, 3.22% Series due October 18, 2021

October 18, 2011

To Each of The Purchaser(s) Listed in
Schedule A Hereto:

Ladies and Gentlemen:

South Carolina Electric & Gas Company, a South Carolina corporation (the "*Company*"), agrees with the institutional investors listed in the attached Schedule A (the "*Purchasers*") to this Bond Purchase Agreement (this "*Agreement*") as follows:

SECTION 1. AUTHORIZATION OF BONDS.

Section 1.1. Authorization of the Bonds. The Company has authorized the issue and sale of \$30,000,000 aggregate principal amount of its First Mortgage Bonds, 3.22% Series due October 18, 2021 (the "*Bonds*"). The Bonds will be issued under and in accordance with the Indenture, dated as of April 1, 1993, from the Company to The Bank of New York Mellon Trust Company, N.A. (successor to Nationsbank of Georgia, National Association), as trustee (the "*Trustee*"), as supplemented by the First Supplemental Indenture, dated as of June 1, 1993 and the Second Supplemental Indenture dated as of June 15, 1993 which is attached hereto as Exhibit A (such Second Supplemental Indenture being hereinafter called the "*Supplemental Indenture*," and such Indenture, as so supplemented being hereinafter called the "*Mortgage*"). The Bonds shall be substantially in the form set out in Exhibit A to the Officer's Certificate Regarding Company Order 25-B-25 (the "*Issuance Terms Officer's Certificate*") which is being delivered pursuant to the Mortgage and which is attached as Exhibit B, with such changes therefrom, if any, as may be approved by the Purchasers and the Company. Certain capitalized terms used herein shall have the meaning ascribed to such terms in the Mortgage unless otherwise defined in Schedule B to this Agreement or the context hereof shall otherwise require; and references to a "Schedule" or an "Exhibit" are, unless otherwise specified, to a Schedule or an Exhibit attached to this Agreement.

Section 1.2. Description of the Bonds. The Bonds shall be dated the date of issue, shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid principal balance thereof from the date of issuance at the rate of 3.22% per annum, payable on each Interest Payment Date, commencing with the first Interest Payment Date occurring after the date hereof, until such principal sum shall have been paid (whether at maturity, upon redemption or otherwise).

SECTION 2. SALE AND PURCHASE OF BONDS.

Subject to the terms and conditions of this Agreement, the Company will issue and sell to each Purchaser and each Purchaser will purchase from the Company, at the Closing provided for in Section 3, Bonds in the principal amount specified opposite such Purchaser's name in Schedule A to this Agreement at the purchase price of 100% of the principal amount thereof. The obligations of each Purchaser hereunder are several and not joint obligations and each Purchaser shall have no obligation and no liability to any Person for the performance or nonperformance of any obligation by any other Purchaser hereunder.

SECTION 3. CLOSING.

The sale and purchase of the Bonds to be purchased by each Purchaser shall occur at the offices of Chapman and Cutler LLP, 330 Madison Avenue, 34th Floor, New York, New York 10017-5010. The closing for the sale and purchase of the Bonds (the "Closing") shall take place at 9:00 a.m., New York time, on October 18, 2011 or on such other Business Day thereafter on or prior to October 19, 2011 as may be agreed upon by the Company and the Purchasers. At the Closing, the Company shall cause to be duly executed, authenticated and delivered to each Purchaser the Bonds to be purchased by such Purchaser in the form of a single Bond (or such greater number of Bonds in denominations of at least \$100,000 as such Purchaser may request) dated the date of the Closing and registered in such Purchaser's name (or in the name of such Purchaser's nominee), against delivery by such Purchaser to the Company or its order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Company specified in the funding instructions letter provided pursuant to Section 4.13 of this Agreement. If at the Closing the Company shall fail to tender Bonds to any Purchaser as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to any Purchaser's satisfaction, such Purchaser shall, at such Purchaser's election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of such failure or such nonfulfillment.

SECTION 4. CONDITIONS TO CLOSING.

The obligation of each Purchaser to purchase and pay for the Bonds to be sold to such Purchaser at the Closing is subject to the fulfillment to such Purchaser's satisfaction, prior to or at the Closing, of the following conditions:

Section 4.1. Representations and Warranties. The representations and warranties of the Company in this Agreement and the other Bond Documents to which the Company is party shall be correct in all material respects when made and at the time of the Closing (as if made at such time).

Section 4.2. Performance; No Default. The Company shall have performed and complied with all agreements and conditions contained in this Agreement and each other Bond Document to which it is party required to be performed or complied with by it prior to or at the Closing, and after giving effect to the issue and sale of the Bonds (and the application of the

proceeds thereof as contemplated by Section 5.14), no Default or Event of Default shall have occurred and be continuing.

Section 4.3. Compliance Certificates.

(a) *Officer's Certificate.* The Company shall have delivered to such Purchaser an Officer's Certificate, dated the date of the Closing, certifying that the conditions specified in Sections 4.1, 4.2 and 4.9 have been fulfilled.

(b) *Secretary's Certificate.* The Company shall have delivered to such Purchaser a certificate of its Secretary or Assistant Secretary, dated the date of the Closing, certifying as to the resolutions attached thereto and other corporate proceedings relating to the authorization, execution and delivery of the Bonds to be issued and sold at the Closing, this Agreement and the other Bond Documents to which it is party.

Section 4.4. Opinions of Counsel. Such Purchaser shall have received opinions in form and substance satisfactory to such Purchaser, dated the date of the Closing (a) from Ronald T. Lindsay, Esq., General Counsel for the Company, and McNair Law Firm, P.A., as special counsel to the Company, substantially in the forms set forth in Exhibit 4.4(a) and 4.4(b), with such changes as shall be acceptable to the Purchasers and (b) from Chapman and Cutler LLP, as special counsel for the Purchasers in connection with such transactions, substantially in the form set forth in Exhibit 4.4(c), with such changes as shall be acceptable to the Purchasers.

Section 4.5. Purchase Permitted By Applicable Law, Etc. On the date of the Closing the purchase of Bonds by each Purchaser shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date hereof. If requested by any Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

Section 4.6. Sale of All Bonds. The Company shall have consummated the sale of the entire principal amount of the Bonds scheduled to be sold on the date of the Closing to the Purchasers pursuant to this Agreement.

Section 4.7. Payment of Special Counsel Fees. Without limiting the provisions of Section 10.1, the Company shall have paid on or before the Closing the fees, charges and disbursements of the Purchasers' special counsel referred to in Section 4.4(b) to the extent reflected in a statement of such counsel rendered to the Company at least one Business Day prior to the Closing.

Section 4.8. Private Placement Number. A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the SVO) shall have been obtained for the Bonds.

Section 4.9. Changes in Corporate Structure. The Company shall not have changed its jurisdiction of incorporation or been a party to any merger or consolidation or succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

Section 4.10. Mortgage and Issuance Terms Officer's Certificate. At or prior to the Closing, the Mortgage shall have been duly authorized, executed and delivered by the Company and the Trustee. At or prior to the Closing, the Issuance Terms Officer's Certificate shall have been duly authorized, executed and delivered by the Company to the Trustee.

Section 4.11. Execution, Authentication and Delivery of Bonds. The Bond or Bonds to be purchased by each Purchaser at the Closing shall have been duly authorized, executed and delivered by the Company and duly authenticated and delivered by the Trustee to each such Purchaser and all conditions precedent to the issuance of the Bonds under the Bond Documents shall have been satisfied.

Section 4.12. Approvals. The Company shall have furnished to such Purchaser and such Purchaser's special counsel true and correct copies of all certificates, approvals, authorizations and consents necessary for the execution, delivery or performance by the Company of this Agreement, the Bonds, the Issuance Terms Officer's Certificate and the other Bond Documents to be executed and delivered in connection herewith including, without limitation, the consents and approvals referred to in Section 5.7 hereof.

Section 4.13. Funding Instructions. At least three Business Days prior to the date of the Closing, each Purchaser shall have received written instructions executed by a Responsible Officer of the Company on letterhead of the Company confirming the information specified in Section 3 including (i) the name and address of the transferee bank, (ii) such transferee bank's ABA number, (iii) the account name and number into which the purchase price for the Bonds is to be deposited, and (iv) the name and telephone number of the account representative responsible for verifying receipt of such funds.

Section 4.14. Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to such Purchaser and such Purchaser's special counsel, and such Purchaser and such Purchaser's special counsel shall have received all such counterpart originals or certified or other copies of such documents, and any such certificate of a Responsible Officer of the Company as to the matters contemplated herein, as such Purchaser or such Purchaser's special counsel may reasonably request.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to each Purchaser as of the date hereof and as of the date of Closing that:

Section 5.1. Organization; Power and Authority. The Company has been duly organized and is validly existing as a corporation under the laws of the State of South Carolina. The Company has the corporate power and authority to own and operate the properties now or proposed to be owned by it and to carry on its business as now being or as proposed to be carried on by it, in each case as described in the Offering Materials and to execute and deliver this Agreement, the Bonds and any other Bond Document and to perform the provisions hereof and thereof. The Company is duly licensed or qualified to do business as a foreign corporation in each jurisdiction which requires such licensing or qualification wherein it owns material properties or conducts material business.

Section 5.2. Authorization, Etc.

(a) This Agreement has been duly authorized, executed and delivered by the Company and this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) The Bonds have been duly authorized and, when duly executed, authenticated and issued as provided in the Mortgage and delivered pursuant to this Agreement, will constitute valid and legally binding obligations of the Company entitled to the security and benefits of the Mortgage, will be secured equally and ratably with all other Bonds issued or to be issued under the Mortgage. The Mortgage has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company, and constitutes a legally valid and directly enforceable first mortgage lien (except to the extent that enforcement of such lien may be limited by the effect of certain laws and judicial decisions upon the remedies provided in the Mortgage; however, such limitations do not render the Mortgage invalid as a whole, and legally adequate rights and remedies nevertheless exist under the Mortgage and applicable law for pursuit of a claim under the Bonds and for the practical realization of the security and principal legal benefits provided by the Mortgage, and except as enforceability of such lien may be limited by bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and by general equity principles) upon the respective properties subject thereto (which properties constitute substantially all of the electric utility properties of the Company) subject only to Permitted Liens (as defined in the Mortgage), and to liens, if any, existing or placed thereon at the time of acquisition thereof by the Company and permitted by the Mortgage, and to minor defects and irregularities customarily found in properties of like size and character which do not materially impair the use of the property affected thereby in the operations of the business of the Company.

(c) Assuming compliance with the requirements of the Mortgage and law, the Mortgage will constitute a legally valid, binding and enforceable first mortgage lien (except to the extent that enforcement of such lien may be limited by the effect of certain laws and judicial decisions upon the remedies provided in the Mortgage; however, such limitations do not render the Mortgage invalid as a whole, and legally adequate rights and remedies nevertheless exist under the Mortgage and applicable law for pursuit of a claim under the Bonds and for the practical realization of the security and principal legal benefits provided by the Mortgage, and except as enforceability of such lien may be limited by bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and by general equity principles) upon all property that is intended by the Mortgage to be subject to the lien of the Mortgage that is hereafter acquired by the Company, subject only to (i) Permitted Liens, (ii) to liens, if any, existing or placed thereon at the time of acquisition thereof by the Company and permitted by the Mortgage, including the lien of any Class A Mortgage (as that term is defined in the Mortgage) existing at the time of acquisition thereof, and (iii) to minor defects and irregularities customarily found in properties of like size and character which do not materially impair the use of the property affected thereby in the operations of the business of the Company.

Section 5.3. Disclosure. The Offering Materials, taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. Except as set forth in the Offering Materials, since the respective most recent dates as of which information is given in the Offering Materials (exclusive of any amendments or supplements after the date hereof), the Company has not incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, which are material to the Company, and there has not been any material change in the capital stock or long-term debt of the Company, or any material adverse change, or any development which the Company has reasonable cause to believe will involve a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, business, net worth or results of operations of the Company, from that set forth in the Offering Materials (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement) (a "*Material Adverse Change*").

Section 5.4. No Subsidiaries. The Company has no Subsidiaries.

Section 5.5. Financial Statements. The consolidated financial statements of the Company incorporated by reference in the Offering Materials and listed in Schedule 5.5 fairly present **in all material respects** the financial condition of the Company and its consolidated affiliates as of the dates indicated and the results of operations, cash flows and changes in common equity and comprehensive income for the periods therein specified, except that changes in common equity are shown in financial statements setting forth annual period information only; and said financial statements have been prepared in accordance with GAAP, applied on a consistent basis (except as otherwise noted in such financial statements) throughout the periods involved. Deloitte & Touche LLP, who have audited certain of such financial statements, as set forth in their report with respect to certain of such financial statements, are independent registered public accountants with respect to the Company as required by the Securities Act.

Section 5.6. No Conflict with Laws, Other Instruments, Etc. (a) The Company is not (i) in violation of its Restated Articles of Incorporation, as amended, bylaws or other constitutive documents, or (ii) in default (or, with notice or lapse of time or both, would be in default) in the performance or observance of any obligation, agreement, covenant or condition contained in any bond, debenture, note, indenture, mortgage, deed of trust, loan or credit agreement, lease, license, franchise agreement, authorization, permit, certificate or other agreement or instrument to which it is a party or by which it is bound or to which its assets or properties is subject, except, in the case of clause (ii) above, for such defaults or violations as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Change. There exists no condition that, with notice, the passage of time or otherwise, would constitute a default by the Company under any such document or instrument or result in the imposition of any penalty or the acceleration of any indebtedness other than penalties, defaults or conditions that could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Change.

(b) The performance of this Agreement and the consummation of the transactions herein contemplated will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, any indenture, mortgage, deed of trust, note agreement or other agreement or instrument to which the Company is a party or by which it is bound or to which any of the property of the Company is subject, the Company's Restated Articles of Incorporation, as amended, or bylaws, or any statute, law, rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Company or any of its properties.

Section 5.7. Governmental Authorizations, Etc. (a) No consent, approval, authorization or order of any court or governmental agency or body is required for the consummation of the transactions contemplated by this Agreement in connection with the issuance or sale of the Bonds by the Company hereunder, except such as may be required under state securities laws or "blue sky" laws of any jurisdiction and except for the approval of The Public Service Commission of South Carolina, all of which (except as may be required under such state securities or other "blue sky" laws) have been obtained or will be obtained prior to the date of Closing and are or will be in full force and effect; and the Company has full power and authority to authorize, issue and sell the Bonds on the terms and conditions herein set forth.

(b) Except as described in the Offering Materials, the Company has obtained all material licenses, permits, certificates, consents, orders, approvals and other authorizations from all federal, state and local governmental authorities, necessary to own or lease, as the case may be, and to operate its properties and to carry on its business as conducted as of the date hereof, except in each case where the failure to obtain licenses, permits, certificates, consents, orders, approvals and other authorizations, could not, individually or in the aggregate, be reasonably expected to have a Material Adverse Change, and except as described in the Offering Materials, the Company has not received any notice of any proceeding relating to revocation or limitation or suspension of any such license, permit, certificate, consent, order, approval or other authorization, except in each case, for ordinary course renewals, and where such revocation or limitation or suspension could not, individually or in the aggregate, be reasonably expected to have a Material Adverse Change.

Section 5.8. Litigation; Observance of Agreements, Statutes and Orders. (a) Except as set forth in the Offering Materials, there is not pending or, to the knowledge of the Company, threatened, any action, suit or proceeding, to which the Company is a party, before or by any court or governmental agency or body, which might result in a Material Adverse Change.

(b) The Company is not in violation of any order or decree of any domestic or foreign court with jurisdiction over it or any of its assets or properties or other governmental or regulatory authority, agency or other body, except for such defaults or violations as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Change.

Section 5.9. Taxes. The Company has filed all income tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments payable by them, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (i) the amount of which is not individually or in the aggregate Material or (ii) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the Company has established adequate reserves in accordance with GAAP. The Federal income tax returns of the Company have been closed for all fiscal years up to and including the fiscal year ended December 31, 2006.

Section 5.10. Title to Property; Lien of Mortgage. (a) The Company holds good and marketable title in fee simple, except as otherwise stated in the Offering Materials, to all of the real property referred to therein as being owned by it, free and clear of all liens and encumbrances, except liens and encumbrances referred to in the Offering Materials (or reflected in the financial statements included therein) and liens and encumbrances which are not material in the aggregate and do not materially interfere with the conduct of the business of the Company and the properties referred to in the Offering Materials as held under lease by the Company are held by it under valid and enforceable leases with such exceptions as do not materially interfere with the conduct of the business of the Company.

(b) The description in the Mortgage of the properties intended to be subject to the Mortgage is adequate to constitute a Lien thereon; and the Mortgage has been duly and properly recorded as a mortgage on real estate and fixtures subject thereto in the proper offices of the respective counties in which the real estate subject thereto of the Company is located, and no other recording or filing of the Mortgage in such counties is or will be necessary to maintain or perfect of record the Lien thereof. Appropriate financing statements have been filed with the Office of the Secretary of State of South Carolina to perfect the security interest in the personal property subject to the Lien of the Mortgage (to the extent such Lien can be perfected by the filing of such financing statements).

Section 5.11. Patents, Trademarks . The Company owns or possesses all franchises, patents, copyrights, proprietary software, service marks, trademarks and trade names, or rights thereto, that are Material, without known conflict with the rights of others, except for those conflicts that, individually or in the aggregate, would not have a Material Adverse Effect.

Section 5.12. Compliance with ERISA. (a) The Company and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and could not reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in section 3 of ERISA), and no event, transaction or condition has occurred or exists that would reasonably be expected to result in the incurrence of any such liability by the Company or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to section 401(a)(29) or 412 of the Code or section 4068 of ERISA, other than such liabilities or Liens as would not be individually or in the aggregate Material.

(b) The present value of the aggregate benefit liabilities under each of the Plans subject to Title IV of ERISA (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities by an amount that would reasonably be expected to have a Material Adverse Effect. The term "*benefit liabilities*" has the meaning specified in section 4001 of ERISA and the terms "*current value*" and "*present value*" have the meaning specified in section 3 of ERISA.

(c) The Company and its ERISA Affiliates have not incurred withdrawal liabilities (and are not subject to contingent withdrawal liabilities) under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate are Material.

(d) The expected postretirement benefit obligation (determined as of the last day of the Company's most recently ended fiscal year in accordance with Financial Accounting Standards Board Accounting Standards Codification 715, without regard to liabilities attributable to continuation coverage mandated by section 4980B of the Code) of the Company is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Bonds hereunder will not involve any transaction that is subject to the prohibitions of section 406 of ERISA or in connection with which a tax could be imposed pursuant to section 4975(c)(1)(A)-(D) of the Code. The representation by the Company to each Purchaser in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of such Purchaser's representation in Section 6.2 as to the sources of the funds used to pay the purchase price of the Bonds to be purchased by such Purchaser. With respect to the source of funds described in Section 6.2(c), (d), (e) or (g), the representation by the Company to the Purchasers in the first sentence of this Section 5.12(e) is based upon and assumes the accuracy of employee benefit plan information received (if any) from the Purchasers at least 3 Business Days prior to Closing.

Section 5.13. Private Offering by the Company. Neither the Company nor anyone acting on its behalf has offered the Bonds or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any

person other than the Purchasers and not more than 5 other Institutional Investors, each of which has been offered the Bonds at a private sale for investment. Neither the Company nor anyone acting on its behalf has taken, or will take, any action that would subject the offer or sale of the Bonds to the registration requirements of Section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction.

Section 5.14. Use of Proceeds; Margin Regulations. The Company will apply the proceeds of the sale of the Bonds to repay existing Indebtedness. No part of the proceeds from the sale of the Bonds hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 10% of the value of the consolidated assets of the Company and the Company does not have any present intention that margin stock will constitute more than 10% of the value of such assets. As used in this Section, the terms “margin stock” and “purpose of buying or carrying” shall have the meanings assigned to them in said Regulation U.

Section 5.15. Existing Indebtedness; Future Liens. (a) The audited financial statements of the Company as set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2010, as updated by the Company’s Form 10-Q, dated June 30, 2011, properly and correctly disclose all outstanding Indebtedness of the Company as of June 30, 2011, since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Indebtedness of the Company except for the issuance and retirement of commercial paper in the ordinary course of business. The Company is not in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Company and no event or condition exists with respect to any Indebtedness of the Company the outstanding principal amount of which exceeds \$35,000,000 that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) The Company is not a party to, or otherwise subject to any provision contained in, any instrument evidencing Indebtedness of the Company, any agreement relating thereto or any other agreement (including, but not limited to, its charter or other organizational document) which limits the amount of, or otherwise imposes restrictions on the incurring of, Indebtedness of the Company, except as specifically indicated in Schedule 5.15.

(c) The Company has not agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by the Mortgage.

(d) Each series of Securities (as defined in the Mortgage) has the benefit of the same covenants and events of default under the Mortgage and no series of Securities have the benefit of different or additional covenants and events of default under the Mortgage.

Section 5.16. Foreign Assets Control Regulations, Etc.

(a) Neither the Company nor any Controlled Entity is (i) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by the Office of Foreign Assets Control, U.S. Department of Treasury (“OFAC”) (an “OFAC Listed Person”) or (ii) a department, agency or instrumentality of, or is otherwise controlled by or acting on behalf of, directly or indirectly, (x) any OFAC Listed Person or (y) any Person, entity, organization, foreign country or regime that is subject to any OFAC Sanctions Program (each OFAC Listed Person and each other Person, entity, organization and government of a country described in clause (ii), a “Blocked Person”).

(b) Assuming no Purchaser is a Blocked Person, no part of the proceeds from the sale of the Bonds hereunder constitutes or will constitute funds obtained on behalf of any Blocked Person or will otherwise be used, directly by the Company or indirectly through any Controlled Entity, in connection with any investment in, or any transactions or dealings with, any Blocked Person.

(c) To the Company’s actual knowledge after making due inquiry, neither the Company nor any Controlled Entity (i) is under investigation by any Governmental Authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any applicable law (collectively, “Anti-Money Laundering Laws”), (ii) has been assessed civil penalties under any Anti-Money Laundering Laws or (iii) has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. The Company has taken reasonable measures appropriate to the circumstances (in any event as required by applicable law) to ensure that the Company and each Controlled Entity is and will continue to be in compliance with all applicable Anti-Money Laundering Laws.

(d) No part of the proceeds from the sale of the Bonds hereunder will be used, directly or indirectly, for any improper payments to any governmental official or employee, political party, official of a political party, candidate for political office, official of any public international organization or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage. The Company has taken reasonable measures appropriate to the circumstances (in any event as required by applicable law) to ensure that the Company and each Controlled Entity is and will continue to be in compliance with all applicable anti-corruption laws and regulations.

Section 5.17. Investment Company Act. The Company is not, and after giving effect to the offering and sale of the Bonds and the application of proceeds thereof as described in the Offering Materials, will not be an “investment company” or a company “controlled” by an “investment company” under the Investment Company Act of 1940, as amended.

Section 5.18. Environmental Matters. (a) The Company has no knowledge of any claim and has received no notice of any claim, and no proceeding has been instituted raising any claim against the Company or any of its real properties now or formerly owned, leased or operated by any of them or other assets, alleging any damage to the environment or violation of

any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(b) The Company has no knowledge of any facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any of them or to other assets or their use, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(c) The Company has not stored any Hazardous Materials on real properties now or formerly owned, leased or operated by any of them and has not disposed of any Hazardous Materials in a manner contrary to any Environmental Laws in each case in any manner that could reasonably be expected to result in a Material Adverse Effect.

(d) All buildings on all real properties now owned, leased or operated by the Company are in compliance with applicable Environmental Laws, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect.

SECTION 6. REPRESENTATIONS OF THE PURCHASERS.

Section 6.1. Purchase for Investment. Each Purchaser severally represents that it is a “qualified institutional buyer” as defined in Rule 144A under the Securities Act and an “accredited investor” as defined in Regulation D under the Securities Act, and that it is purchasing the Bonds for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds (each of which is also an “accredited investor”) and not with a view to the distribution thereof, *provided* that the disposition of such Purchaser’s or such pension or trust fund’s property shall at all times be within such Purchaser’s or such pension or trust fund’s control. Each Purchaser understands that the Bonds have not been registered pursuant to the provisions of the Securities Act and may be resold only if registered under the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Company is not required to register the Bonds under the Securities Act.

Section 6.2. Source of Funds. Each Purchaser severally represents that at least one of the following statements is an accurate representation as to each source of funds (a “Source”) to be used by such Purchaser to pay the purchase price of the Bonds to be purchased by such Purchaser hereunder:

(a) the Source is an “insurance company general account” (as the term is defined in the United States Department of Labor’s Prohibited Transaction Exemption (“PTE”) 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the National Association of Insurance Commissioners (the “NAIC Annual Statement”)) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any

other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) plus surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is a separate account that is maintained solely in connection with such Purchaser's fixed contractual obligations under which the amounts payable, or credited, to any employee benefit plan (or its related trust) that has any interest in such separate account (or to any participant or beneficiary of such plan (including any annuitant)) are not affected in any manner by the investment performance of the separate account; or

(c) the Source is either (i) an insurance company pooled separate account, within the meaning of PTE 90-1 or (ii) a bank collective investment fund, within the meaning of the PTE 91-38 and, except as disclosed by such Purchaser to the Company in writing pursuant to this clause (c) reasonably in advance of the Closing (which in no event shall be less than three Business Days), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund, and the other conditions of PTE 90-1 or PTD 91-38, as applicable, are satisfied; or

(d) (i) the Source constitutes assets of an "investment fund" (within the meaning of Part V of PTE 84-14 (the "*QPAM Exemption*")) managed by a "qualified professional asset manager" or "QPAM" (within the meaning of Part V of the QPAM Exemption), (ii) no employee benefit plan's assets that are included in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part V(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, exceed 20% of the total client assets managed by such QPAM, (iii) the conditions of Part I(c) and (g) of the QPAM Exemption are satisfied, (iv) as of the last day of its most recent calendar quarter, the QPAM does not own a 10% or greater interest in the Company, (v) as of the last day of its most recent calendar quarter, no person controlling or controlled by the QPAM owns a 20% or greater interest in the Company or owns a greater than 10% interest in the Company and exercises control over the management or policies of the Company by reason of its ownership interest, and (vi) the identity of such QPAM and the names of all employee benefit plans whose assets are included in such investment fund have been disclosed to the Company in writing pursuant to this clause (d) reasonably in advance of the Closing (which in no event shall be less than three Business Days); or

(e) the Source constitutes assets of a "plan(s)" (within the meaning of Part IV of PTE 96-23 (the "*INHAM Exemption*")) managed by an "in-house asset manager" or "INHAM" (within the meaning of Part IV of the INHAM Exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a person controlling or controlled by the INHAM (applying the definition of "control" in

Part IV(d) of the INHAM Exemption) owns a 5% or more interest in the Company and (i) the identity of such INHAM and (ii) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Company in writing pursuant to this clause (e) reasonably in advance of the Closing (which in no event shall be less than three Business Days); or

(f) the Source is a governmental plan; or

(g) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Company in writing pursuant to this clause (g) reasonably in advance of the Closing (which in no event shall be less than three Business Days); or

(h) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms “employee benefit plan”, “governmental plan”, “party in interest” and “separate account” shall have the respective meanings assigned to such terms in Section 3 of ERISA.

SECTION 7. INFORMATION AS TO COMPANY.

Section 7.1. Financial and Business Information. The Company shall deliver to each holder of Bonds that is an Institutional Investor:

(a) *Quarterly Statements* — within 60 days (or such shorter period as is 15 days greater than the period applicable to the filing of the Company’s Quarterly Report on Form 10-Q (the “*Form 10-Q*”) with the SEC regardless of whether the Company is subject to the filing requirements thereof) after the end of each quarterly fiscal period in each fiscal year of the Company (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of,

(i) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarter, and

(ii) consolidated statements of income, changes in shareholders’ equity and cash flows of the Company and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments, *provided* that delivery within the time

period specified above of copies of the Company's Form 10-Q prepared in compliance with the requirements therefor and filed with the SEC shall be deemed to satisfy the requirements of this Section 7.1(a), and *provided, further*, that the Company shall be deemed to have made such delivery of such Form 10-Q if it shall have timely filed such Form 10-Q with the SEC (such availability being referred to as "*Electronic Delivery*"); and

(b) *Annual Statements* — within 105 days (or such shorter period as is 15 days greater than the period applicable to the filing of the Company's Annual Report on Form 10-K (the "*Form 10-K*") with the SEC regardless of whether the Company is subject to the filing requirements thereof) after the end of each fiscal year of the Company, duplicate copies of,

(i) a consolidated balance sheet of the Company and its Subsidiaries, as at the end of such year, and

(ii) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries, for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances, *provided* that the delivery within the time period specified above of the Company's Annual Report on Form 10-K for such fiscal year (together with the Company's annual report to shareholders, if any, prepared pursuant to Rule 14a-3 under the Exchange Act) prepared in accordance with the requirements therefor and filed with the SEC shall be deemed to satisfy the requirements of this Section 7.1(b), and *provided, further*, that the Company shall be deemed to have made such delivery of such Form 10-K if it shall have timely made Electronic Delivery thereof.

Section 7.2. Reporting under the Mortgage. The Company will comply with the reporting provisions of the Mortgage.

SECTION 8. PAYMENTS ON BONDS.

Section 8.1. Place of Payment. Subject to Section 8.2, payments of principal, premium, if any, and interest becoming due and payable on the Bonds shall be made in accordance with the terms and provisions of the Mortgage.

Section 8.2. Home Office Payment. So long as any Purchaser or its nominee shall be the holder of any Bond, and notwithstanding anything contained in Section 8.1 or in such Bond to the contrary, the Company or its paying agent, as the case may be, will pay all sums becoming due on such Bond for principal, premium, if any, and interest by the method and at the address specified for such purpose for such Purchaser in Schedule A to this Agreement, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Company in writing for such purpose, without the presentation or surrender of such Bond or the making of any notation thereon, except that upon written request of the Company made concurrently with or reasonably promptly after payment or redemption in full of any Bond, such Purchaser shall surrender such Bond for cancellation, reasonably promptly after any such request, to the Company at its principal executive office or to the Trustee at its principal corporate trust office. Prior to any sale or other disposition of any Bond held by any Purchaser or its nominee such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Bond to the Company or the Trustee in exchange for a new Bond or Bonds pursuant to Section 205 of the Mortgage. The Company will afford the benefits of this Section 8.2 to any Institutional Investor that is the direct or indirect transferee of any Bond purchased by a Purchaser under this Agreement and has made the same agreement relating to such Bond as such Purchaser has made in this Section 8.2.

SECTION 9. INTENTIONALLY OMITTED.

SECTION 10. EXPENSES, ETC.

Section 10.1. Transaction Expenses. Whether or not the transactions contemplated hereby are consummated, the Company will pay (and indemnify the Purchasers against) all reasonable costs and expenses (including reasonable attorneys' fees of a single special counsel for all of the Purchasers and, if reasonably required and disclosed to the Company, a single local counsel in any relevant jurisdiction hired for all of the Purchasers) incurred by the Purchasers, in connection with such transactions, and in connection with any amendments, waivers or consents under or in respect of this Agreement (whether or not such amendment, waiver or consent becomes effective) including, without limitation, (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement, or by reason of being a holder of any Bond, (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Company or any Subsidiary or in connection with any work out or restructuring of the transactions contemplated hereby and by the Bonds, and (c) the costs and expenses incurred in connection with the initial filing of this Agreement and all related financial information with the SVO. The Company will pay, and will save each Purchaser harmless from, all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than any retained by the Purchasers). The Company agrees to save harmless and indemnify each Purchaser from and against any liability resulting from the failure to reimburse such Purchaser for any required documentary stamps, recordation and transfer taxes, recording costs, or any other expenses incurred by such Purchaser in connection with this Agreement which are required by the terms of this Agreement to be paid or reimbursed by the Company.

Section 10.2. Survival. The obligations of the Company under this Section 10 will survive the payment or transfer of any Bond, the enforcement, amendment or waiver of any provision of this Agreement, the Bonds or any other Bond Document, and the termination of this Agreement.

SECTION 11. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement, the Bonds and the other Bond Documents, the purchase or transfer by any Purchaser of any Bond or portion thereof or interest therein and the payment of any Bond, and may be relied upon by any subsequent holder of a Bond, regardless of any investigation made at any time by or on behalf of such Purchaser or any other holder of a Bond. All statements contained in any certificate or other instrument delivered by or on behalf of the Company pursuant to this Agreement or the other Bond Documents shall be deemed representations and warranties of the Company under this Agreement. Subject to the preceding sentence, this Agreement, the Bonds and the other Bond Documents embody the entire agreement and understanding between the Purchasers and the Company and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 12. AMENDMENT AND WAIVER.

Section 12.1. Requirements. This Agreement may be amended, and the observance of any term hereof may be waived (either retroactively or prospectively), with (and only with) the written consent of the Company and the the Required Holders, except that no amendment or waiver of any of the provisions of Section 1, 2, 3, 4, 5 or 6 hereof, or any defined term (as it is used therein), will be effective as to any Purchaser unless consented to by such Purchaser in writing.

Section 12.2. Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 12 applies equally to all Purchasers and holders of the Bonds. As used herein, the term "this Agreement" and references thereto shall mean this Agreement as it may from time to time be amended or supplemented.

SECTION 13. NOTICES.

All notices provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by a recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

- (i) if to a Purchaser or its nominee, to such Purchaser or its nominee at the address specified for such communications in Schedule A to this Agreement, or at such other address as such Purchaser or its nominee shall have specified to the Company in writing,

(ii) if to any other holder of any Bond, to such holder at such address as such other holder shall have specified to the Company in writing, or

(iii) if to the Company, to the Company at its address set forth at the beginning hereof to the attention of its Treasurer, with a copy to the General Counsel, or at such other address as the Company shall have specified to the holder of each Bond in writing.

Notices under this Section 13 will be deemed given only when actually received.

SECTION 14. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at the Closing (except the Bonds themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser, may be reproduced by any Person who is a party to or recipient of any such document by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and such Person may destroy any original document so reproduced. The Company and each Purchaser agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by such Person in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 14 shall not prohibit the Company, a Purchaser or any other holder of Bonds from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 15. CONFIDENTIAL INFORMATION.

For the purposes of this Section 15, "Confidential Information" means information delivered to any Purchaser by or on behalf of the Company or any Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature; *provided* that such term does not include information that (a) was publicly known or otherwise known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or any person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by the Company or any Subsidiary or (d) constitutes financial statements delivered to such Purchaser that are otherwise publicly available. For any Confidential Information received by any Purchaser from the date of this Agreement up to and including the date of Closing, each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such Purchaser; *provided* that such Purchaser may deliver or disclose Confidential Information to (i) such Purchaser's directors, trustees, officers, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by such Purchaser's Bonds) and such persons agree or have agreed to hold such information confidential, (ii) such Purchaser's financial advisors and other

professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 15, (iii) any other holder of any Bond, (iv) any Institutional Investor to which such Purchaser sells or offers to sell such Bond or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 15), (v) any Person from which such Purchaser offers to purchase any security of the Company (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 15), (vi) any federal or state regulatory authority having jurisdiction over such Purchaser, (vii) the NAIC or the SVO or, in each case, any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to such Purchaser, (x) in response to any subpoena or other legal process and further provided that if permitted by applicable law, such holder will use reasonable efforts to give prior notice to the Company and an opportunity to obtain a protective order, (y) in connection with any litigation to which such Purchaser is a party or (z) if an Event of Default has occurred and is continuing, to the extent such Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Bonds and this Agreement. Each holder of a Bond, by its acceptance of a Bond, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 15 as though it were a party to this Agreement. On reasonable request by the Company in connection with the delivery to any holder of a Bond of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Company embodying the provisions of this Section 15.

SECTION 16. MISCELLANEOUS.

Section 16.1. Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent holder of a Bond) whether so expressed or not.

Section 16.2. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 16.3. Construction. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Section 16.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

Section 16.5. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of South Carolina excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

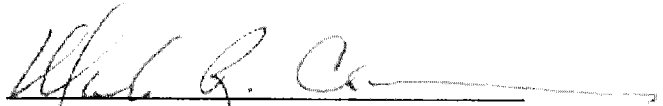
South Carolina Electric & Gas Company

Bond Purchase Agreement

The execution hereof by the Purchasers shall constitute a contract among the Company and the Purchasers for the uses and purposes hereinabove set forth.

Very truly yours,

SOUTH CAROLINA ELECTRIC & GAS COMPANY

By: 
Name: Mark R. Cannon
Title: Treasurer

The foregoing is hereby agreed to as of the date hereof.

NEW YORK LIFE INSURANCE COMPANY

By Kathleen A. Haberkern
Name: Kathleen A. Haberkern
Title: Corporate Vice President

NEW YORK LIFE INSURANCE AND ANNUITY
CORPORATION

By New York Life Investment Management
LLC, its Investment Manager

By Kathleen A. Haberkern
Name: Kathleen A. Haberkern
Title: Director

NEW YORK LIFE INSURANCE AND ANNUITY
CORPORATION INSTITUTIONALLY OWNED LIFE
INSURANCE SEPARATE ACCOUNT (BOLI 30C)

By New York Life Investment Management
LLC, its Investment Manager

By Kathleen A. Haberkern
Name: Kathleen A. Haberkern
Title: Director

South Carolina Electric & Gas Company

Bond Purchase Agreement

NEW YORK LIFE INSURANCE AND ANNUITY
CORPORATION INSTITUTIONALLY OWNED LIFE
INSURANCE SEPARATE ACCOUNT (BOLI 3-2)

By New York Life Investment Management
LLC, its Investment Manager

By Kathleen A. Haberkern
Name: Kathleen A. Haberkern
Title: Director

INFORMATION RELATING TO PURCHASERS

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF BONDS TO BE PURCHASED
NEW YORK LIFE INSURANCE COMPANY c/o New York Life Investment Management LLC 51 Madison Avenue 2nd Floor, Room 208 New York, New York 10010-1603 Attention: Fixed Income Investors Group, Private Finance, 2nd Floor Fax Number: (212) 447-4122	\$15,900,000

Payments

All payments on or in respect of the Bonds to be by bank wire transfer of Federal or other immediately available funds to:

JPMorgan Chase Bank
New York, New York 10019
ABA #021-000-021
Credit: New York Life Insurance Company
General Account Number 008-9-00687

With sufficient information (including issuer, PPN number, interest rate, maturity and whether payment is of principal, premium, or interest) to identify the source and application of such funds.

Notices

All notices with respect to payments, written confirmation of each such payment and any audit confirmation, to be addressed:

New York Life Insurance Company
c/o New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor, Room 208
New York, New York 10010-1603
Attention: Securities Operations Private Group, 2nd Floor
Fax Number: (908) 840-3385
with a copy sent electronically to: FIIGLibrary@nylim.com
TraditionalPVtOps@nylim.com

All other notices and communications to be addressed:

New York Life Insurance Company
c/o New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor, Room 208
New York, New York 10010-1603
Attention: Fixed Income Investors Group, Private Finance, 2nd Floor
Fax Number: (212) 447-4122

with a copy sent electronically to: FIIGLibrary@nylim.com and TraditionalPVtOps@nylim.com
and with a copy of any notices regarding defaults or Events of Default under the operative
documents to: Attention: Office of the General Counsel, Investment Section, Room 1016, Fax
Number: (212) 576-8340.

Name of Nominee in which Bonds are to be issued: None

Taxpayer I.D. Number: 13-5582869

Deliver Bonds to:

New York Life Investment Management LLC
51 Madison Avenue
New York, New York 10010-1603
Barbara Friedman, Esq.

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF BONDS TO BE PURCHASED
NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION c/o New York Life Investment Management LLC 51 Madison Avenue 2nd Floor, Room 208 New York, New York 10010-1603 Attention: Fixed Income Investors Group, Private Finance, 2nd Floor Fax Number: (212) 447-4122	\$12,000,000

Payments

All payments on or in respect of the Bonds to be by bank wire transfer of Federal or other immediately available funds to:

JPMorgan Chase Bank
New York, New York 10019
ABA #021-000-021
Credit: New York Life Insurance and Annuity Corporation
General Account Number 323-8-47382

With sufficient information (including issuer, PPN number, interest rate, maturity and whether payment is of principal, premium, or interest) to identify the source and application of such funds.

Notices

All notices with respect to payments, written confirmation of each such payment and any audit confirmation, to be addressed:

New York Life Insurance and Annuity Corporation
c/o New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor, Room 208
New York, New York 10010-1603
Attention: Securities Operations Private Group, 2nd Floor
Fax Number: (908) 840-3385
with a copy sent electronically to: FIIGLibrary@nylim.com
TraditionalPVtOps@nylim.com

All other notices and communications to be addressed:

New York Life Insurance and Annuity Corporation
c/o New York Life Investment Management LLC
51 Madison Avenue
2nd Floor, Room 208
New York, New York 10010-1603
Attention: Fixed Income Investors Group, Private Finance, 2nd Floor
Fax Number: (212) 447-4122

with a copy sent electronically to: FIIGLibrary@nylim.com and TraditionalPVtOps@nylim.com
and with a copy of any notices regarding defaults or Events of Default under the operative
documents to: Attention: Office of the General Counsel, Investment Section, Room 1016, Fax
Number: (212) 576-8340.

Name of Nominee in which Bonds are to be issued: None

Taxpayer I.D. Number: 13-3044743

Deliver Bonds to:

New York Life Investment Management LLC
51 Madison Avenue
New York, New York 10010-1603
Barbara Friedman, Esq.

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF BONDS TO BE PURCHASED
NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30C) c/o New York Life Investment Management LLC 51 Madison Avenue 2nd Floor, Room 208 New York, New York 10010-1603 Attention: Fixed Income Investors Group, Private Finance, 2nd Floor Fax Number: (212) 447-4122	\$1,800,000

Payments

All payments on or in respect of the Bonds to be by bank wire transfer of Federal or other immediately available funds to:

JPMorgan Chase Bank
New York, New York 10019
ABA #021-000-021
Credit: NYLIAC SEPARATE BOLI 30C
General Account Number 304-6-23970

With sufficient information (including issuer, PPN number, interest rate, maturity and whether payment is of principal, premium, or interest) to identify the source and application of such funds.

Notices

All notices with respect to payments, written confirmation of each such payment and any audit confirmation, to be addressed:

New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account
c/o New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor, Room 208
New York, New York 10010-1603
Attention: Securities Operations Private Group, 2nd Floor
Fax Number: (908) 840-3385
with a copy sent electronically to: FIIGLibrary@nylim.com
TraditionalPVtOps@nylim.com

All other notices and communications to be addressed:

New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account
c/o New York Life Investment Management LLC
51 Madison Avenue
2nd Floor, Room 208
New York, New York 10010-1603
Attention: Fixed Income Investors Group, Private Finance, 2nd Floor
Fax Number: (212) 447-4122

with a copy sent electronically to: FIIGLibrary@nylim.com and TraditionalPVtOps@nylim.com
and with a copy of any notices regarding defaults or Events of Default under the operative
documents to: Attention: Office of the General Counsel, Investment Section, Room 1016, Fax
Number: (212) 576-8340.

Name of Nominee in which Bonds are to be issued: None

Taxpayer I.D. Number: 13-3044743

Deliver Bonds to:

New York Life Investment Management LLC
51 Madison Avenue
New York, New York 10010-1603
Barbara Friedman, Esq.

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF BONDS TO BE PURCHASED
NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 3-2) c/o New York Life Investment Management LLC 51 Madison Avenue 2nd Floor, Room 208 New York, New York 10010-1603 Attention: Fixed Income Investors Group, Private Finance, 2nd Floor Fax Number: (212) 447-4122	\$300,000

Payments

All payments on or in respect of the Bonds to be by bank wire transfer of Federal or other immediately available funds to:

JPMorgan Chase Bank
New York, New York 10019
ABA #021-000-021
Credit: NYLIAC SEPARATE BOLI 3-2
General Account Number 323-9-56793

With sufficient information (including issuer, PPN number, interest rate, maturity and whether payment is of principal, premium, or interest) to identify the source and application of such funds.

Notices

All notices with respect to payments, written confirmation of each such payment and any audit confirmation, to be addressed:

New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account
c/o New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor, Room 208
New York, New York 10010-1603
Attention: Securities Operations Private Group, 2nd Floor
Fax Number: (908) 840-3385
with a copy sent electronically to: FIIGLibrary@nylim.com
TraditionalPVtOps@nylim.com

All other notices and communications to be addressed:

New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account
c/o New York Life Investment Management LLC
51 Madison Avenue
2nd Floor, Room 208
New York, New York 10010-1603
Attention: Fixed Income Investors Group, Private Finance, 2nd Floor
Fax Number: (212) 447-4122

with a copy sent electronically to: FIIGLibrary@nylim.com and TraditionalPVtOps@nylim.com
and with a copy of any notices regarding defaults or Events of Default under the operative
documents to: Attention: Office of the General Counsel, Investment Section, Room 1016, Fax
Number: (212) 576-8340.

Name of Nominee in which Bonds are to be issued: None

Taxpayer I.D. Number: 13-3044743

Deliver Bonds to:

New York Life Investment Management LLC
51 Madison Avenue
New York, New York 10010-1603
Barbara Friedman, Esq.

DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"Affiliate" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person. As used in this definition, *"Control"* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an *"Affiliate"* is a reference to an Affiliate of the Company.

"Anti-Money Laundering Laws" is defined in Section 5.16(c).

"Blocked Person" is defined in Section 5.16(a).

"Bond Documents" shall mean this Agreement, the Bonds, the Issuance Terms Officer's Certificate, the Mortgage, and all other instruments, certificates, documents and other writings now or hereafter executed and delivered by the Company pursuant to or in connection with any of the foregoing.

"Bonds" is defined in Section 1.1 hereto.

"Business Day" means any day other than a Saturday, a Sunday or a day on which commercial banks in New York, New York, Atlanta, Georgia or Columbia, South Carolina are required or authorized to be closed.

"Closing" is defined in Section 3 hereto.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Company" means South Carolina Electric & Gas Company, a South Carolina corporation.

"Confidential Information" is defined in Section 15 hereto.

"Controlled Entity" means any of the Subsidiaries of the Company and any of their or the Company's respective Controlled Affiliates. As used in this definition, *"Control"* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

“Environmental Laws” means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to Hazardous Materials.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

“Event of Default” is defined in the Mortgage.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“GAAP” means accounting principles generally accepted from time to time in the United States of America.

“Governmental Authority” means

(a) the government of

(i) the United States of America or any State or other political subdivision thereof, or

(ii) any jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

“Hazardous Material” means any and all pollutants, toxic or hazardous wastes or other substances that might pose a hazard to health and safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized by any applicable law including, but not limited to, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas or similar restricted, prohibited or penalized substances.

“Indebtedness” means all indebtedness of the Company which is required to be included on the consolidated balance sheet of the Company prepared in accordance with GAAP.

“Issuance Terms Officer’s Certificate” is defined in Section 1.1.

“Institutional Investor” means (a) any Purchaser of a Bond, (b) any holder of a Bond holding (together with one or more of its Affiliates) more than \$1,000,000 in aggregate principal amount of the Bonds then outstanding, (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form, and (d) any Related Fund of any holder of any Bond.

“Interest Payment Date” means April 18 and October 18.

“Lien” means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or capital lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

“Material” means material in relation to the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole.

“Material Adverse Change” is defined in Section 5.3.

“Material Adverse Effect” means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole, (b) the ability of the Company to perform its obligations under this Agreement and the Bonds or (c) the validity or enforceability of this Agreement or the Bonds.

“Mortgage” is defined in Section 1.1 hereto.

“Multiemployer Plan” means any Plan that is a “multiemployer plan” (as such term is defined in section 4001(a)(3) of ERISA).

“NAIC” means the National Association of Insurance Commissioners or any successor thereto.

“OFAC” is defined in Section 5.16(a).

“OFAC Listed Person” is defined in Section 5.16(a).

“OFAC Sanctions Program” means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at <http://www.ustreas.gov/offices/enforcement/ofac/programs/>.

“Offering Materials” means , collectively:

- (i) the Private Placement Memorandum dated September 6, 2011;

(ii) the Mortgage; and

(iii) the Financial Statements described in Schedule 5.5.

“Officer’s Certificate” means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

“Person” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

“Plan” means an “employee benefit plan” (as defined in section 3(3) of ERISA) subject to Title I of ERISA that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate may have any liability.

“property” or *“properties”* means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

“PTE” is defined in Section 6.2(a).

“Purchasers” means the Purchasers named in Schedule A hereto.

“Related Fund” means, with respect to any holder of any Bond, any fund or entity that (i) invests in Securities (as defined in Section 2(l) of the Securities Act) or bank loans, and (ii) is advised or managed by such holder, the same investment advisor as such holder or by an affiliate of such holder or such investment advisor.

“Required Holders” means, at any time, the holders of more than 50% in principal amount of the Bonds at the time outstanding (exclusive of Bonds then owned by the Company or any of its Affiliates).

“Responsible Officer” means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

“SEC” means the Securities and Exchange Commission.

“Securities” is defined in the Mortgage.

“Securities Act” means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

“Senior Financial Officer” means the chief financial officer, principal accounting officer, treasurer or controller of the Company.

“Subsidiary” means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a “Subsidiary” is a reference to a Subsidiary of the Company.

“Supplemental Indenture” is defined in Section 1.1 hereto.

“SVO” means the Securities Valuation Office of the NAIC or any successor to such Office.

“USA Patriot Act” means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

FINANCIAL STATEMENTS

Consolidated balance sheets of the Company as of December 31, 2010, December 31, 2009, December 31, 2008, December 31, 2007, December 31, 2006 and the related consolidated statements of income or operations and cash flows for such fiscal years.

Condensed consolidated balance sheet of the Company as of June 30, 2011 and the related condensed consolidated statement of income or operations for such fiscal quarter and for the portion of the fiscal year ended at the end of such fiscal quarter.

EXISTING INDEBTEDNESS

1. The Mortgage.
2. Indenture dated as of November 1, 1989 between SCANA Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee.
3. Note Purchase Agreement dated as of June 22, 2007 between SCANA Corporation relating to SCANA Corporation Floating Rate Senior Notes due June 1, 2034.
4. Five-Year Credit Agreement dated as of October 25, 2010 between SCANA Corporation, the lenders identified therein and such other lenders as may thereafter become a party, and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Bank and Swingline Lender, Credit Suisse AG, Cayman Islands Branch and UBS Securities LLC, as Documentation Agents and Bank of America, N.A. and Morgan Stanley Senior Funding, Inc., as Co-Syndication Agents.
5. Five-Year Credit Agreement dated as of October 25, 2010 between South Carolina Electric & Gas Company, the lenders identified therein and such other lenders as may thereafter become a party, and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Bank and Swingline Lender, Branch Banking and Trust Company, as Documentation Agent and Bank of America, N.A. and Morgan Stanley Senior Funding, Inc., as Co-Syndication Agents.
6. Guaranty Agreement dated as of October 25, 2010 from South Carolina Electric & Gas Company to Wells Fargo Bank, National Association, relating to the Five-Year Credit Agreement dated as of October 25, 2010 between South Carolina Fuel Company, Inc., the lenders identified therein and such other lenders as may thereafter become a party, and Wells Fargo Bank, National Association, as Administrative Agent and Swingline Lender, Credit Suisse AG, Cayman Islands Branch and UBS Securities LLC, as Documentation Agents and Bank of America, N.A. and Morgan Stanley Senior Funding, Inc., as Co-Syndication Agents.
7. Amended and Restated Guaranty Agreement dated as of February 11, 2004 by SCANA Corporation, for the benefit of the holders of South Carolina Generating Company, Inc. Senior Secured Notes due December 31, 2011 and February 1, 2024.
8. Guarantee Agreement dated as of May 30, 2008 by SCANA Corporation for the benefit of the holder of South Carolina Generating Company Series 2008-A and Series 2008-B Senior Secured Notes.

9. Guaranty Agreement dated as of November 9, 2009 between SCANA Corporation and Branch Banking and Trust Company relating to certain reimbursement obligations under Letter of Credit and Reimbursement Agreement dated as of November 9, 2009 between South Carolina Generating Company, Inc. and Branch Banking and Trust Company.

10. Letter of Credit and Reimbursement Agreement dated as of December 1, 2008 between South Carolina Electric & Gas Company and Branch Banking and Trust Company.

11. Guaranty of SCANA Corporation dated as of August 15, 2003 in favor of Berkeley County, South Carolina, as issuer and Wachovia Bank, National Association, as trustee, for the benefit of the holders of the \$35,850,000 original principal amount Berkeley County, South Carolina Pollution Control Facilities Revenue Refunding Bonds (South Carolina Generating Company, Inc. Project), Series 2003.

12. Guaranty of SCANA Corporation dated as of November 1, 2008 in favor of South Carolina Jobs-Economic Development Authority, as issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee, for the benefit of the holders of the \$36,400,000 original principal amount South Carolina Jobs-Economic Development Authority Industrial Revenue Bonds (South Carolina Generating Company, Inc. Project), Series 2008.

13. Third Amended and Restated Purchase Agreement dated as of July 29, 2011 between South Carolina Electric & Gas Company and Bank of America, N.A., as lender.

FORM OF SUPPLEMENTAL INDENTURE

[SEE ATTACHED.]

COUNTERPART No. 41

SOUTH CAROLINA ELECTRIC & GAS COMPANY

TO

**NATIONSBANK OF GEORGIA,
NATIONAL ASSOCIATION,**

Trustee

FIRST SUPPLEMENTAL INDENTURE

(Supplemental To Indenture Dated As Of April 1, 1993)

PROVIDING FOR

FIRST MORTGAGE BONDS,

7 5/8% SERIES DUE JUNE 1, 2023

Dated as of June 1, 1993

South Carolina Electric & Gas Co.
c/o Sue A. Whitman (055)
1426 Main Street
Columbia, SC 29201

FIRST SUPPLEMENTAL INDENTURE

FIRST SUPPLEMENTAL INDENTURE, dated as of June 1, 1993, between SOUTH CAROLINA ELECTRIC & GAS COMPANY, a corporation duly organized and existing under the laws of the State of South Carolina (herein called the "Company"), and NATIONSBANK OF GEORGIA, NATIONAL ASSOCIATION, a national banking association, as trustee (herein called the "Trustee") under the Indenture, dated as of April 1, 1993 (herein referred to as the "Original Indenture"), which Original Indenture was executed and delivered by the Company to secure the payment of Securities issued or to be issued under and in accordance with the provisions thereof, the original Indenture being recorded as shown as Exhibit A hereto this Supplemental Indenture (hereinafter sometimes called the "First Supplemental Indenture") being supplemental thereto (the Original Indenture, as supplemented by this First Supplemental Indenture, and as it may hereafter be supplemented, being herein called the "Mortgage").

WHEREAS, Section 1701 of the Mortgage provides that the Company and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental to the Original Indenture, for various purposes including to add one or more covenants of the Company and to establish the terms of Securities of any series as contemplated by Section 201 of the Mortgage; and

WHEREAS, the Company now desires to create a series of Securities and to add to its covenants contained in the Mortgage certain other covenants to be observed by it; and

WHEREAS, the execution and delivery by the Company of this First Supplemental Indenture, and the terms of the Securities, have been duly authorized by the Company as provided in the Mortgage;

THE PARTIES HEREBY COVENANT AND AGREE as follows:

ARTICLE FIRST

Securities of the First Series

SECTION 1.01. Description of Series.

There shall be a series of Securities designated "First Mortgage Bonds, 7 5/8% Series due June 1, 2023" in the aggregate principal amount of One Hundred Million Dollars (\$100,000,000) (herein sometimes called the "First Series"). The form of the Securities of the First Series shall be established by an Officer's Certificate delivered to the Trustee on or before the date of first authentication of Securities of such Series and shall contain suitable provisions with respect to the matters hereinafter in this Article specified, including the date or dates of Maturity for the Securities of such Series, the rate or rates at which the Securities of such Series shall bear interest, the date or dates on which such interest shall be payable, the date from which the Securities of such Series shall bear interest if such date is not the date of first authentication of Securities of such Series, and other matters permitted by Section 201 of the Mortgage. Securities of the First Series shall be issued as fully registered Securities in denominations of One Thousand Dollars and, at the option of the Company, in any integral multiple or multiples thereof (the exercise of such option to be evidenced by the execution and delivery thereof). Unless otherwise provided in the Officer's Certificate establishing the form of the Securities of such Series, the principal of, premium, if any, and interest, if any, on each Security of the First Series shall be payable at the office and agency of the Company in Atlanta, Georgia, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Securities of the First Series shall be dated as in the Mortgage provided.

ARTICLE SECOND

Miscellaneous

SECTION 2.01. Definitions

Subject to the amendments provided for in this Supplemental Indenture, the terms defined in the Original Indenture shall, for all purposes of this Supplemental Indenture, have the meanings specified in the Original Indenture.

SECTION 2.02. Acceptance of Trust

The Trustee hereby accepts the trust herein created and agrees to perform the same upon the terms and conditions in the Original Indenture set forth and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect to the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company alone. In general each and every term and condition contained in Article Sixteen of the Mortgage shall apply to and form part of this Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Supplemental Indenture.

SECTION 2.03. Successors and Assigns

Whenever in this Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles Fifteen and Sixteen of the Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 2.04. Benefit of the Parties

Nothing in this Supplemental Indenture, express or implied, is intended, or shall be construed, to confer upon, or to give to any person, firm or corporation, other than the parties hereto and the Holders of the Securities Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in the Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto and of the Holders of the Securities Outstanding under the Mortgage.

SECTION 2.05. Effect in Georgia

This Supplemental Indenture is intended by the parties hereto, as to properties now or hereafter encumbered by the Mortgage and located within the State of Georgia, to operate and is to be construed as granting a Lien only on such properties and not as a deed passing title thereto.

SECTION 2.06. Counterparts

This Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, South Carolina Electric & Gas Company has caused this Supplemental Indenture to be executed in its corporate name by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed and to be attested by its Secretary or one of its Assistant Secretaries, and NationsBank of Georgia, National Association, to evidence its acceptance hereof, has caused this Supplemental Indenture to be executed in its corporate name by one of its Vice Presidents or Trust Officers and its corporate seal to be hereunto affixed and to be attested by one of its Vice Presidents or one of its Trust Officers, in several counterparts, all as of the day and year first above written.

SOUTH CAROLINA ELECTRIC & GAS COMPANY


By: 
Vice President and Treasurer

Attest:


Secretary

In the presence of:

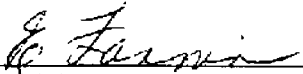




NATIONSBANK OF GEORGIA, NATIONAL ASSOCIATION

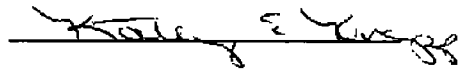
By: 
Senior Vice President

Attest:


Vice President

In the presence of:





STATE OF SOUTH CAROLINA)
) ss.:
COUNTY OF RICHLAND)

On the 4th day of June, 1993, personally appeared before me Cathy C. Boone, and, being duly sworn, made oath that she saw the corporate seal of South Carolina Electric & Gas Company affixed to the above written Indenture and that she also saw B. T. Horton, Vice President and Treasurer, with K. B. Marsh, Secretary, of said South Carolina Electric & Gas Company sign and attest the same, and that she, deponent, with Sue A. Whitman, witnessed the execution and delivery thereof as the act and deed of South Carolina Electric & Gas Company.

Cathy C. Boone
Cathy C. Boone


Subscribed and sworn to before
me the 4th day of June, 1993.

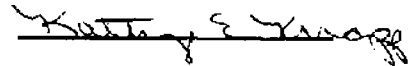
Sue A. Whitman
Notary Public for South Carolina

My Commission expires December 7, 1997

STATE OF GEORGIA)
)SS.:
COUNTY OF FULTON)

On the 4th day of June 1993, personally appeared before me Sabrina Fuller, and being duly sworn, made oath that she saw the corporate seal of NationsBank of Georgia, National Association, affixed to the above written Indenture and that she also saw Mark P. Brown, Senior Vice President, with Esther P. Fannin, Vice President of said NationsBank of Georgia, National Association, sign and attest the same, and that she, deponent, with Kathy E. Knapp, witnessed the execution and delivery thereof as the act and deed of NationsBank of Georgia, National Association.





Subscribed and sworn to before me the 4th day of June, 1993

JEANNETTE BELT

Notary Public for Georgia
My Commission Expires _____

Notary Public, DeKalb County, Georgia
My Commission Expires March 26, 1994


Notary Public

EXHIBIT A

The Collateral Trust Mortgage dated as of April 1, 1993 with NationsBank of Georgia, National Association, as Trustee, has been filed for the record and correctly indexed as a mortgage on real estate as of April 27, 1993, in the appropriate recording office in each of the following counties in the State of South Carolina:

<u>County</u>	<u>Real Estate Mortgage Book</u>	<u>Page</u>
1. Abbeville	10E	1
2. Aiken	1521	1
3. Allendale	81	360
4. Bamberg	105	1
5. Barnwell	225	1
6. Beaufort	543	2220
7. Berkeley	276	152
8. Calhoun	84	138
9. Charleston	C-226	492
10. Chester	664	18
12. Colleton	529	124
13. Dorchester	1133	107
14. Edgefield	460	1
15. Fairfield	322	33
16. Greenwood	492	466
17. Hampton	185	73
18. Jasper	92	44
19. Kershaw	165	1
20. Lexington	2513	173
21. McCormick	89	96
22. Newberry	396	256
23. Orangeburg	598	0064
24. Richland	M-1563	744
25. Saluda	262	328
26. Union	190	136

SOUTH CAROLINA ELECTRIC & GAS COMPANY

TO

**NATIONSBANK OF GEORGIA,
NATIONAL ASSOCIATION,**

Trustee

SECOND SUPPLEMENTAL INDENTURE

(Supplemental To Indenture Dated As Of April 1, 1993)

PROVIDING FOR

FIRST MORTGAGE BONDS

Dated as of June 15, 1993

THE INDENTURE OF SOUTH CAROLINA ELECTRIC & GAS COMPANY TO NATIONSBANK OF GEORGIA, NATIONAL ASSOCIATION, AS TRUSTEE, DATED APRIL 1, 1993 (THE "INDENTURE"), RECORDED IN THE RMC OFFICE OF THIS COUNTY AS DESCRIBED ON EXHIBIT A HERETO, AS HERETOFORE AMENDED AND SUPPLEMENTED AND AS AMENDED AND SUPPLEMENTED BY THIS SECOND SUPPLEMENTAL INDENTURE THERETO IS SUBJECT TO, AND IS INTENDED TO TAKE ADVANTAGE OF, THE PROVISIONS OF SECTIONS 29-1-10 AND 29-3-80, S. C. CODE OF LAWS (1976), AS AMENDED. THE LIEN OF THE INDENTURE, AS SUPPLEMENTED OR AMENDED FROM TIME TO TIME, SHALL CONTINUE UNTIL SATISFIED OR RELEASED OF RECORD REGARDLESS OF WHETHER OR NOT SUCH INDENTURE STATES A MATURITY DATE. FURTHER, AS SET FORTH IN THE INDENTURE, THE LIEN AFFECTS AFTER-ACQUIRED PROPERTY.

**South Carolina Electric & Gas Co.
Attn: A. Whitman (055)
Main Street
Columbia, SC 29201**

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE, dated as of June 15, 1993, between SOUTH CAROLINA ELECTRIC & GAS COMPANY, a corporation duly organized and existing under the laws of the State of South Carolina (herein called the "Company"), and NATIONSBANK OF GEORGIA, NATIONAL ASSOCIATION, a national banking association, as trustee (herein called the "Trustee");

WHEREAS, the Company heretofore executed and delivered to the Trustee an Indenture, dated as of April 1, 1993 (herein referred to as the "Original Indenture"), which Original Indenture was executed and delivered by the Company to secure the payment of Securities issued or to be issued under and in accordance with the provisions thereof, the Original Indenture being recorded as shown as Exhibit A hereto; and

WHEREAS, the Company has heretofore executed and delivered to the Trustee the following supplemental indentures:

DESIGNATION

DATED AS OF

First Supplemental Indenture..... June 1, 1993

supplemental to the Original Indenture; the Original Indenture, together with all instruments stated to be supplemental thereto to which the Trustee has heretofore been or shall hereafter be a party, including the aforesaid supplemental indenture and this Second Supplemental Indenture, being herein sometimes referred to collectively as the "Mortgage;" and

WHEREAS, Section 1701 of the Mortgage provides that the Company and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental to the Original Indenture, for various purposes including to add one or more covenants of the Company and to establish the terms of Securities of any series as contemplated by Section 201 of the Mortgage; and

WHEREAS, the Company now desires to create additional series of Securities and to add to its covenants contained in the Mortgage certain other covenants to be observed by it; and

WHEREAS, there have been issued under the Original Indenture as heretofore supplemented the following series of First Mortgage Bonds, of which the following principal amounts were outstanding at the date of this Supplemental Indenture:

<u>SERIES</u>	<u>PRINCIPAL AMOUNT ISSUED</u>	<u>PRINCIPAL AMOUNT OUTSTANDING</u>
0% Per Annum due 1993 "Bonds of the Original Series"	\$1,000	\$1,000
7 5/8% Series due 2023 "Bonds of the First Series"	\$100,000,000	\$100,000,000

; and

WHEREAS, the execution and delivery by the Company of this Second Supplemental Indenture, and the terms of the Securities, have been duly authorized by the Company as provided in the Mortgage;

THE PARTIES HEREBY COVENANT AND AGREE as follows:

ARTICLE FIRST

Additional Securities

SECTION 1.01. Description of Series.

There shall be one or more additional series of Securities designated "First Mortgage Bonds," to bear such further designations as hereafter provided, which series shall be unlimited in principal amount, subject to the limitation on the maximum aggregate principal amount of Securities permitted to be secured by the Mortgage pursuant to Section 201 of the Original Indenture (\$5,000,000,000 as of the date hereof), as the same may hereafter be increased or decreased by amendment or supplement to the Mortgage. The forms of the Securities of each such Series shall be established by an Officer's Certificate delivered to the Trustee on or before the date of first authentication of Securities of each such Series and shall contain suitable provisions with respect to the matters hereinafter in this Article specified, including any further designation or descriptive title, the date or dates of Maturity for the Securities of each such Series, the rate or rates at which the Securities of each such Series shall bear interest, the date or dates on which such interest shall be payable, the date from which the Securities of each such Series shall bear interest if such date is not the date of first authentication of Securities of each such Series, and other matters permitted by Section 201 of the Mortgage. Such additional Securities shall be issued as fully registered Securities in denominations of One Thousand Dollars and, at the option of the Company, in any integral multiple or multiples thereof (the exercise of such option to be evidenced by the execution and delivery thereof). Unless otherwise provided in the Officer's Certificate establishing the form of the Securities of each such Series, the principal of, and premium, if any, and interest, if any, on the Securities of each such Series shall be payable at the office and agency of the Company in Atlanta, Georgia, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. The Securities of each such Series shall be dated as in the Mortgage provided.

ARTICLE SECOND

Miscellaneous

SECTION 2.01. Definitions

Subject to the amendments provided for in this Supplemental Indenture, the terms defined in the Original Indenture as heretofore supplemented shall, for all purposes of this Supplemental Indenture, have the meanings specified in the Original Indenture.

SECTION 2.02. Acceptance of Trust

The Trustee hereby accepts the trust herein created and agrees to perform the same upon the terms and conditions in the Original Indenture as heretofore supplemented set forth and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect to the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company alone. In general each and every term and condition contained in Article Sixteen of the Mortgage shall apply to and form part of this Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Supplemental Indenture.

SECTION 2.03. Successors and Assigns

Whenever in this Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles Fifteen and Sixteen of the Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 2.04. Benefit of the Parties

Nothing in this Supplemental Indenture, express or implied, is intended, or shall be construed, to confer upon, or to give to any person, firm or corporation, other than the parties hereto and the Holders of the Securities Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in the Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto and of the Holders of the Securities Outstanding under the Mortgage.

SECTION 2.05. Effect in Georgia

This Supplemental Indenture is intended by the parties hereto, as to properties now or hereafter encumbered by the Mortgage and located within the State of Georgia, to operate and is to be construed as granting a Lien only on such properties and not as a deed passing title thereto.

SECTION 2.06. Notice of Claim of Benefit of Laws

The Company gives notice that it claims the benefit of Sections 29-1-10 and 29-3-80, S. C. Code of Laws (1976), as amended (S.589, enacted into law June 14, 1993), concerning the continuation of the lien until satisfied or released of record and attachment to after-acquired real property of the lien of both the Original Indenture, dated as of April 1, 1993, and the First Supplemental Indenture, dated as of June 1, 1993, and all supplements and amendments thereto. The Original Indenture and the First Supplemental Indenture are recorded in the counties and at the book and page numbers set forth on Exhibits A and B, respectively, attached hereto. The Notice on the cover of this Second Supplemental Indenture is given pursuant to the aforesaid laws.

SECTION 2.07. Counterparts

This Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, South Carolina Electric & Gas Company has caused this Supplemental Indenture to be executed in its corporate name by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed and to be attested by its Secretary or one of its Assistant Secretaries, and NationsBank of Georgia, National Association, to evidence its acceptance hereof, has caused this Supplemental Indenture to be executed in its corporate name by one of its Vice Presidents or Trust Officers and its corporate seal to be hereunto affixed and to be attested by one of its Vice Presidents or one of its Trust Officers, in several counterparts, all as of the day and year first above written.

SOUTH CAROLINA ELECTRIC & GAS COMPANY



By: 

Vice President and Treasurer

Attest:


Assistant Secretary

In the presence of:

NATIONSBANK OF GEORGIA, NATIONAL ASSOCIATION

By: Clement
Vice President

Attest:

C Thompson
Vice President

In the presence of:

Jeannette S. Bell
Subrina Keller

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

} ss.:

On the 25th day of June, 1993, personally appeared before me Cathy C. Boone, and, being duly sworn, made oath that she saw the corporate seal of South Carolina Electric & Gas Company affixed to the above written Indenture and that she also saw B. T. Horton, Vice President and Treasurer, with E. C. Roberts, Assistant Secretary, of said South Carolina Electric & Gas Company sign and attest the same, and that she, deponent, with Sue A. Whitman, witnessed the execution and delivery thereof as the act and deed of South Carolina Electric & Gas Company.

Cathy C. Boone
Cathy C. Boone

Subscribed and sworn to before
me the 25th day of June, 1993.

Sue A. Whitman
Notary Public for South Carolina

My Commission expires December 7, 1997

STATE OF GEORGIA)
) ss.:
 COUNTY OF FULTON)

On the 25th day of June 1993, personally appeared before me Jeanette Belt, and, being duly sworn, made oath that she saw the corporate seal of NationsBank of Georgia, National Association, affixed to the above written Indenture and that she also saw Cynthia B. Clement, Vice President, with Christy L. Thompson, Vice President, of said NationsBank of Georgia, National Association, sign and attest the same, and that she, deponent, with Sabrina Fuller, witnessed the execution and deliver thereof as the act and deed of NationsBank of Georgia, National Association.

Jeanette S. Belt
Sabrina Fuller

Subscribed and sworn to before
 me the 25th day of June, 1993.

Jeanette S. Belt
 Notary Public for Georgia
 My Commission Expires _____

Notary Public, DeKalb County, Georgia
 My Commission Expires March 26, 1994.

EXHIBIT A

The Collateral Trust Mortgage dated as of April 1, 1993 with NationsBank of Georgia, National Association, as Trustee, has been filed for the record and correctly indexed as a mortgage on real estate as of April 27, 1993, in the appropriate recording office in each of the following counties in the State of South Carolina:

<u>County</u>	<u>Real Estate Mortgage Book</u>	<u>Page</u>
1. Abbeville	10E	1
2. Aiken	1521	1
3. Allendale	81	360
4. Bamberg	105	1
5. Barnwell	225	1
6. Beaufort	543	2220
7. Berkeley	276	152
8. Calhoun	84	138
9. Charleston	C-226	492
10. Chester	664	18
12. Colleton	529	124
13. Dorchester	1133	107
14. Edgefield	460	1
15. Fairfield	322	33
16. Greenwood	492	466
17. Hampton	185	73
18. Jasper	92	44
19. Kershaw	165	1
20. Lexington	2513	173
21. McCormick	89	96
22. Newberry	396	256
23. Orangeburg	598	0064
24. Richland	M-1563	744
25. Saluda	262	328
26. Union	190	136

As the same may have been supplemented from time to time.

EXHIBIT B

The First Supplemental Indenture, dated June 1, 1993, to the Mortgage Indenture with NationsBank of Georgia, National Association, as Trustee, has been filed for the record and correctly indexed as a mortgage on real estate as of June 7, 1993, in the appropriate recording office in each of the following counties in the State of South Carolina:

<u>County</u>	<u>Real Estate Mortgage Book</u>	<u>Page</u>
1. Abbeville	10F	209
2. Aiken	1540	48
3. Allendale	83	20
4. Bamberg	105	96
5. Barnwell	229	329
6. Beaufort	628	404
7. Berkeley	301	350/358
8. Calhoun	86	179
9. Charleston	S-227	723/732
10. Chester	669	217
11. Colleton	535	63
12. Dorchester	1152	222
13. Edgefield	461	24
14. Fairfield	325	153
15. Greenwood	495	829
16. Hampton	187	19
17. Jasper	93	272
18. Kershaw	177	77
19. Lexington	2573	182
20. McCormick	90	46
21. Newberry	401	318
22. Orangeburg	600	0967
23. Richland	M-1583	157
24. Saluda	266	188
25. Union	190	458

FORM OF ISSUANCE TERMS OFFICER'S CERTIFICATE

[SEE ATTACHED.]

SOUTH CAROLINA ELECTRIC & GAS COMPANY

OFFICER'S CERTIFICATE
Regarding Company Order 25-B25

I, Mark R. Cannon, Treasurer of South Carolina Electric & Gas Company (the "Company"), DO HEREBY CERTIFY to The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), as Trustee under the Indenture of the Company dated as of April 1, 1993, as heretofore supplemented and as supplemented by the Second Supplemental Indenture dated as of June 15, 1993 (as so supplemented, the "Indenture"), that:

1. There shall be issued under the Indenture \$30,000,000 aggregate principal amount of Securities designated "First Mortgage Bonds, 3.22% Series due October 18, 2021" (the "Bonds"). The Bonds shall be issued in the form set forth in Exhibit A hereto, shall bear interest from October 18, 2011 at 3.22% per annum payable on April 18 and October 18 of each year, commencing April 18, 2012, shall mature on October 18, 2021.

2. To the knowledge of the undersigned, no Event of Default has occurred or is continuing.

3. The undersigned has read the accompanying Company Order 25-B25, and all of the covenants or conditions contained in Sections 105, 201, 301 and 401 of the Indenture relating thereto and the definitions in the Indenture relating thereto.

4. The statements contained in this certificate are based upon the familiarity of the undersigned with the Indenture, the documents accompanying Company Order 25-B25 and upon discussions by the undersigned with officers and employees of the Company familiar with the matters set forth herein.

5. In the opinion of the undersigned, he has made such examination or investigation as is necessary to express an informed opinion whether such covenants or conditions have been complied with.

6. In the opinion of the undersigned, such covenants or conditions have been complied with.

Capitalized terms used herein and not otherwise defined in this Officer's Certificate shall have the meanings assigned such terms in the Indenture. Insofar as this certificate relates to legal matters, it is based upon the accompanying Opinion herewith of Ronald T. Lindsay, Esq.

Dated: October __, 2011

[CORPORATE SEAL]

Mark R. Cannon
Treasurer

EXHIBIT A

[Form of Bond]

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND CANNOT BE RESOLD UNLESS THIS BOND IS REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE THEREUNDER.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
FIRST MORTGAGE BOND
3.22% SERIES DUE October 18, 2021**

R-1

Original Interest	Interest		
<u>Accrual Date</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>
October 18, 2011	3.22%	October 18, 2021	837004 D@6

Registered Owner:

Principal Amount:

SOUTH CAROLINA ELECTRIC & GAS COMPANY, a corporation organized under the laws of the State of South Carolina (hereinafter called the "Company," which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to the Registered Owner, or to registered assigns, the Principal Amount on the Maturity Date specified above, or upon earlier redemption, or required repayment, as described below, and to pay interest thereon at the Interest Rate specified above (calculated on the basis of a 360-day year of twelve 30-day months), semi-annually on the eighteenth day of April and October in each year and on the Maturity Date (each an interest payment date), from the Original Interest Accrual Date specified above or from the most recent interest payment date to which interest has been paid, commencing April 18, 2012 in coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, at the office or agency of the Company in Atlanta, Georgia, on the interest payment dates in each year, until the Company's obligation with respect to the payment of such principal shall have been discharged; provided, however, if the date of this Security (as such term is defined in the hereinafter defined Indenture) is after a Record Date (as defined herein) with respect to any interest payment date and prior to such interest payment date, then interest shall be payable only from such interest payment date. If the Company shall default in the payment of interest due on any interest payment date, then interest shall be payable from the next preceding interest payment date to which interest has been paid, or, if no such interest has been paid on this Security, from the Original Interest Accrual Date.

The interest so payable on any interest payment date will, subject to certain exceptions provided in the Indenture, be paid to the person in whose name this Security is registered at the close of business, whether or not a Business Day (as such term is defined in the Indenture), on April 1 or October 1 (each, a "Record Date"), as the case may be, next preceding such interest payment date, provided, that, interest payable on the Maturity Date will be payable to the person to whom the principal hereof shall be payable. All sums becoming due on this Security for principal, the Make-Whole Amount (as defined herein), if any, and interest shall be paid by the method and at the address specified for such purpose in Schedule A, or by such other method as may be reasonably acceptable to the Trustee (as defined herein) or at such other address as the Registered Owner shall have from time to time specified to the Trustee in writing for such purpose given to the Trustee at least 30 Business Days prior to the applicable payment date.

This Security shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until the Trustee shall have signed the form of certificate endorsed hereon.

This Security is one of a duly authorized series of Securities of the Company, issued under, pursuant to and all equally secured by an Indenture dated as of April 1, 1993, made by and between the Company and The Bank of New York Mellon Trust Company, N.A., successor to NationsBank of Georgia, National Association, as trustee (herein sometimes called the "Trustee") (said Indenture, as supplemented and amended including the Second Supplemental Indenture dated as of June 15, 1993, being hereinafter called the "Indenture"), to which Indenture reference is hereby made for a description of the property thereby mortgaged and pledged, the nature and extent of the security thereby created, the rights thereunder of the bearers or registered owners of the Securities and of the Trustee, the duties and immunities of the Trustee, the terms and conditions upon which the Securities are and are to be secured, the circumstances under which additional Securities may be issued and the definition of certain terms used herein. To the extent permitted by and as provided in the Indenture, modifications or alterations of the Indenture, and of the rights and obligations of the Company and of the holders of the Securities may be made by the Company with such affirmative vote or votes of the holders as provided in the Indenture; provided, however, that, among other things, no such modification or alteration shall be made which will affect the terms of payment of the principal at maturity of, or interest on, this Security, which are unconditional, or reduce the aforesaid percentages. The Securities may be issued in series, for various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided.

The holder of this Security hereby consents that the Company may, but shall not be obligated to, fix a record date for the purpose of determining the holders of Securities of this series entitled to consent to any amendment, supplement or waiver. If a record date is fixed, those persons who are holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

The Securities of this series may be redeemed at any time and from time to time on or after July 18, 2021, at the option of the Company, in whole or in part, upon notice (which may be made subject to the deposit of the redemption moneys with the Trustee on or before the date fixed for redemption) mailed at least 30 days prior to the date fixed for redemption, at a

redemption price equal to 100% of the principal amount of the Securities of this series being redeemed, plus accrued and unpaid interest thereon to the redemption date.

Additionally, the Securities of this series may be redeemed at any time and from time to time prior to July 18, 2021, at the option of the Company, in whole or in part, upon notice (which may be made subject to the deposit of the redemption moneys with the Trustee on or before the date fixed for redemption) mailed by the Company, with a copy to the Trustee, at least 30 days prior to the date fixed for redemption, at a redemption price equal to 100% of the principal amount of the Securities being redeemed, plus the Make Whole Amount, plus accrued and unpaid interest thereon to the redemption date. Each such notice shall specify such date (which shall be a Business Day), the aggregate principal amount of the Securities to be redeemed on such date, the principal amount of the Security held by the Registered Owner to be redeemed, and the interest to be paid on the redemption date with respect to such principal amount being redeemed and the estimated Make-Whole Amount due in connection with such prepayment (calculated as if the date of such notice were the date of the prepayment) as calculated by the Company. Two Business Days prior to the date of such scheduled redemption, the Trustee or an independent investment banker appointed by the Company shall calculate the Make-Whole amount as of the specified redemption date.

“Make-Whole Amount” means, with respect to any Security of this series, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal (as such terms are hereinafter defined) of such Security over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

“Called Principal” means, with respect to any Security of this series, the principal of such Security that is to be redeemed.

“Discounted Value” means, with respect to the Called Principal of any Security of this series, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the date of redemption with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Security is payable) equal to the Reinvestment Yield (hereinafter defined) with respect to such Called Principal.

“Reinvestment Yield” means, with respect to the Called Principal of any Security of this series, .20% over the yield to maturity implied by (i) the yields reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the date of redemption with respect to such Called Principal, on the display designated as “Page PX1” (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on the run U.S. Treasury securities having a maturity equal to the Remaining Average Life of such Called Principal as of such date of redemption, or (ii) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable (including by way of interpolation), the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the date of redemption with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (or

any comparable successor publication) for U.S. Treasury securities having a constant maturity equal to the Remaining Average Life of such Called Principal as of such date of redemption.

In the case of each determination under clause (i) or clause (ii), as the case may be, of the preceding paragraph, such implied yield will be determined, if necessary, by (a) if, and only if, the applicable U.S. Treasury security closest to and greater than such then Remaining Average Life has a maturity less than or equal to one year, converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between (1) the applicable U.S. Treasury security with the maturity closest to and greater than such Remaining Average Life and (2) the applicable U.S. Treasury security with the maturity closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Security.

“Remaining Average Life” means, with respect to any Called Principal, the number of years (calculated to the nearest one-twelfth year) obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years (calculated to the nearest one-twelfth year) that will elapse between the date of redemption with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

“Remaining Scheduled Payments” means, with respect to the Called Principal of any Security of this series, all payments of such Called Principal and interest thereon that would be due after the date of redemption with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such date of redemption is not a date on which interest payments are due to be made under the terms of the Securities of this series, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such date of redemption and required to be paid on such date of redemption.

If less than all of the Securities of this series are to be redeemed, the particular Securities to be redeemed shall be selected by the Security Registrar from the Outstanding Securities not previously called for redemption proportionately, as nearly as practicable and in authorized denominations, rounded down to the nearest \$1,000, among all registered holders of Securities of this series based upon the principal amount of the Securities of this series held by each registered holder.

In any case where the date of maturity of interest or premium on or principal of Securities or the date fixed for redemption of any Securities shall be a day which is not a Business Day, then payment of interest, premium or principal need not be made on such date but may be made on the next succeeding day that is a Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date of maturity or date fixed for redemption.

In case an event of default as defined in the Indenture shall occur, the principal of all Securities then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This Security is transferable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at the principal office of the Trustee under the Indenture, upon surrender and cancellation of this Security and on presentation of a duly executed written instrument of transfer, and thereupon a new Security or Securities of the same series, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange therefor; and this Security with or without others of like form and series, may in like manner be exchanged for one or more new Securities of the same series of other authorized denominations, but in the same aggregate principal amount; all subject to the terms and conditions set forth in the Indenture.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this Security or for any claim based hereon or otherwise in respect hereof or of the Indenture, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Company, or of any predecessor or successor corporation (either directly or through the Company, or any such predecessor or successor corporation) whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being waived and released by every registered owner hereof by the acceptance of this Security and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This Security shall be governed by and construed in accordance with the laws of the State of South Carolina, except to the extent that the law of any other jurisdiction shall be mandatorily applicable.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, SOUTH CAROLINA ELECTRIC & GAS COMPANY has caused this Security to be duly executed in its corporate name by the manual or facsimile signature of its Treasurer and its corporate seal to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Corporate Secretary.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

[SEAL]

By: _____
Treasurer

ATTEST:

By: _____
Corporate Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

Date of Authentication _____

(Form of Abbreviations)

The following abbreviations, when used in the description on the face of the within Security, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	-	as tenants in common
TEN ENT	-	as tenants by the entireties
JT TEN	-	as joint tenants with the right of survivorship and not as tenants in common
UTMA	-	Uniform Transfers to Minors Act

(Cust) Custodian for _____
(Minor)

under Uniform Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though
not in the above list.

NOTICE: The signature to this Assignment must correspond with the name
as written upon the face of the within Security in every particular
without alteration or enlargement or any change whatever.

FOR VALUE RECEIVED, _____ hereby sell, assign
and transfer unto

Please insert Social Security or
Other Identifying number of Assignee:

the within Security of South Carolina Electric & Gas Company and do irrevocably constitute and
appoint _____, Attorney to transfer the same on
the books of the Company with full power of substitution in the premises.

Dated:

Witness:

Signature(s) must be guaranteed by
an institution which is a participant
in the Securities Transfer Agents
Medallion Program ("STAMP")
or similar program

Signature of Assignor

SCHEDULE A

[To be provided by Purchaser.]

FORM OF OPINION OF GENERAL COUNSEL FOR THE COMPANY

[SEE ATTACHED.]

EXHIBIT 4.4(a)

October 18, 2011

New York Life Insurance Company
New York Life Insurance and Annuity Corporation
New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account (BOLI 30C)
New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account (BOLI 3-2)
(collectively, the "Purchasers")

Re: South Carolina Electric & Gas Company Issuance and Sale of \$30,000,000 First
Mortgage Bonds, 3.22% Series due October 18, 2021

Ladies and Gentlemen:

In connection with the issuance and sale by South Carolina Electric & Gas Company, a South Carolina corporation (the "Company"), to the Purchasers named in the Bond Purchase Agreement dated October 18, 2011 (the "Agreement") of \$30,000,00 aggregate principal amount of the Company's First Mortgage Bonds, 3.22% Series due October 18, 2021 (the "Bonds"), I wish to advise you that, as General Counsel for the Company and for SCANA Corporation, which owns all of the issued and outstanding common stock of the Company, I am familiar with the affairs of the Company, including the nature and character of the properties owned and business conducted by the Company and with all corporate, legal and regulatory proceedings relating to the matters covered by this opinion, and that I have reviewed such corporate records, public records, certificates of public officials, opinions of local counsel and other certificates and documents and have examined such questions of law as I have considered necessary or appropriate for the purposes of this opinion.

This opinion letter is being delivered to you pursuant to Section 4.4(a) of the Agreement.

The Bonds have been issued by the Company pursuant to the Indenture dated as of April 1, 1993 (the "Indenture") of the Company to The Bank of New York Mellon Trust Company, N.A., successor to NationsBank of Georgia, National Association, as Trustee (the "Trustee"), as supplemented by two indentures supplemental thereto dated as of June 1, 1993, and June 15, 1993 (the "Supplemental Indentures," which, together with the Indenture will be referred to herein as the "Mortgage"), on the basis of property additions certified to the Trustee and made by the Company the basis for such issuance. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Agreement.

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Based upon the foregoing, I advise you that in my opinion:

1. The Company is validly existing as a corporation under the laws of the State of South Carolina and has the corporate power to own and operate the properties now owned and proposed to be owned by it and to conduct its business as now conducted and proposed to be conducted, in each case as described in the Offering Materials, the Company is duly licensed or qualified in each jurisdiction which requires such licensing or qualification wherein it owns properties or conducts business (other than those jurisdictions as to which the failure to be so qualified would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the Company).

2. The Mortgage has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument enforceable against the Company in accordance with its terms.

3. The Bonds have been duly authorized by the necessary corporate action, have been duly executed, authenticated, issued and delivered and constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, are entitled to the security and benefits of the Mortgage and are secured equally and ratably with all other bonds issued under the Mortgage.

4. The Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding agreement enforceable against the Company in accordance with its terms.

5. The Company has fee title to all the real property (except (i) rights-of-way, water rights and flowage rights, (ii) that electric transmission and electric and gas distribution lines are constructed principally on rights-of-way which are maintained under or held by easement and (iii) that the fee ownership of the lands upon which the Company's Stevens Creek dam is situated may extend only to the abutment sites on each side of the Savannah River) and has good and valid title to all of the personal property described or referred to in the Mortgage as owned by it (except property heretofore released from or conveyed subject to the liens thereof or retired in accordance with the provisions thereof), subject to no liens or encumbrances other than (a) Permitted Liens (as defined in the Mortgage) and to liens, if any, existing or placed thereon at the time of acquisition thereof by the Company and permitted by the Mortgage, (b) the lien of the Mortgage, and (c) the fact that titles to certain properties are subject to reservations and encumbrances such as are customarily encountered in the public utility business and which do not materially interfere with their use, and the descriptions of and references to such real and personal property contained in the Mortgage are adequate for the purposes thereof. No notice has been given to the Company by any governmental authority of any proceeding to condemn, purchase or otherwise acquire any of the properties of the Company and, so far as I know, no such proceeding is contemplated,

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other than, in each case, as to properties, the loss of which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the Company.

6. The Mortgage has been duly filed for recording and recorded, and constitutes a legally valid, binding and enforceable first mortgage lien upon the respective properties presently subject thereto subject only to (a) Permitted Liens, (b) liens, if any, existing or placed thereon at the time of acquisition thereof by the Company and permitted by the Mortgage, and (c) minor defects and irregularities customarily found in properties of like size and character which do not materially impair the use of the property affected thereby in the operations of the business of the Company; and assuming compliance with the requirements of the Mortgage and law, the Mortgage will constitute a legally valid, binding and enforceable first mortgage lien upon all property that is intended by the Mortgage to be subject to the lien of the Mortgage that is hereafter acquired by the Company, subject only to (x) Permitted Liens, (y) liens, if any, existing or placed thereon at the time of acquisition thereof by the Company and permitted by the Mortgage, including the lien of any Class A Mortgage existing at the time of acquisition thereof, and (z) minor defects and irregularities customarily found in properties of like size and character which do not materially impair the use of the property affected thereby in the operations of the business of the Company. No re-recording or re-filing of the Mortgage is required, and no further supplemental indentures or other mortgage instruments are required to be executed, filed or recorded, or notices given, (i) in order to extend the lien thereof to after-acquired property located in the counties in which the Mortgage is presently recorded, or (ii) to maintain such lien with respect to future advances up to the maximum principal amount stated therein as being secured thereby.

7. An order has been or orders have been entered by the Public Service Commission of South Carolina permitting the issuance and sale of the Bonds as contemplated by the Agreement and no further authorization or consent of any public body or board is required for the issuance and sale by the Company of the Bonds as contemplated thereby, except as may be required under the securities or blue sky laws of any state or jurisdiction.

8. The consummation of the transactions contemplated in the Agreement and the performance of the terms of the Mortgage do not (i) violate any applicable law or regulation, (ii) to my knowledge, result in a breach or default under any indenture, mortgage, deed of trust, note or other agreement to which the Company is a party, (iii) conflict with the Restated Articles of Incorporation, as amended, or bylaws of the Company, or (iv) violate any order, judgment or decree received by and naming the Company as a party of any court or of any federal or state regulatory body or administrative agency or other governmental body having jurisdiction over the Company or its property.

9. To my knowledge, there are no legal proceedings pending before any court or governmental authority naming the Company or any of its subsidiaries as a party that brings into question the legality, validity or enforceability of the Company's obligations under the

October 18, 2011

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Bonds, the Mortgage or the Agreement, and, to my knowledge, no such legal proceedings are overtly threatened in writing against the Company or its subsidiaries.

It is to be noted that the enforceability of the Mortgage, the Bonds and the Agreement, and the enforceability of the lien of the Mortgage, are subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting the rights of creditors generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, fair dealing and good faith, and the availability of equitable remedies such as specific performance and injunctive relief, regardless of whether such matters are considered in a proceeding at law or in equity. I further express no opinion regarding the enforceability of any indemnity or contribution provision in any document.

In addition, certain provisions of the Mortgage may not be enforceable in whole or in part; however, subject to the qualifications in the foregoing paragraph, the inclusion of such provisions does not render the Mortgage invalid as a whole, and legally adequate rights and remedies nevertheless exist under the Mortgage and applicable law for pursuit of a claim under the Bonds and for the practical realization of the principal legal benefits of the security provided by the Mortgage.

Also, in rendering this opinion letter, I have relied upon certificates of state officials as to the Company's existence, and upon the representations and warranties of the Company in the Agreement and on certificates of officers of the Company and the Trustee as to matters of fact relevant to this opinion letter. I have assumed that the signatures on all documents examined by me are genuine. In rendering the opinion herein as to the authentication of the Bonds, I have relied upon my examination of a facsimile of an executed certificate of authentication with respect thereto and certifications of the Trustee with respect to the due authentication thereof without further investigation.

As used herein, the phrase "to my knowledge" or words of similar import shall mean actual knowledge of facts known by me to relate to the matters set forth herein after due inquiry of the employees that report directly to me.

This opinion letter is solely for your benefit; provided, however, that I authorize McNair Law Firm, P.A. to rely upon this opinion letter, as though it had been addressed to it, as to all matters of title, property descriptions, recording fees and taxes and the filing, recordation and liens of the Mortgage; and provided further that this opinion may be relied upon as of the date hereof by subsequent holders of the Bonds who are Institutional Investors, who have acquired the Bonds in accordance with the terms of the Mortgage, and who make the purchaser representations contained in the Agreement, on the condition and understanding that (i) this letter speaks only as of the date hereof, (ii) I have no responsibility or obligation to update this letter, to consider its applicability or correctness to other than its addressees, or to take into account changes in law, facts or any other developments of which I may later become aware, and (iii) any such reliance by any such future holder must be actual and reasonable under the

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circumstances existing at the time of acquisition, including any changes in law, facts or any other developments known to or reasonably knowable by the holder at such time.

This opinion letter is given as of the date hereof, and I assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to my attention or any changes in law that may hereafter occur.

The opinions rendered herein are limited to matters of South Carolina law and applicable federal law. In rendering this opinion letter, I am not passing on matters of Georgia law or the enforceability of the Agreement.

Sincerely,

Ronald T. Lindsay

FORM OF OPINION OF SPECIAL COUNSEL TO THE COMPANY

[SEE ATTACHED.]

EXHIBIT 4.4(b)

October 18, 2011

New York Life Insurance Company
New York Life Insurance and Annuity Corporation
New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account (BOLI 30C)
New York Life Insurance and Annuity Corporation
Institutionally Owned Life Insurance Separate Account (BOLI 3-2)
(collectively, the "Purchasers")

Re: South Carolina Electric & Gas Company Issuance and Sale of \$30,000,000 First Mortgage Bonds, 3.22% Series due October 18, 2021

Ladies and Gentlemen:

We have acted as counsel to South Carolina Electric & Gas Company, a South Carolina corporation (the "Company"), in connection with the issuance and sale of \$30,000,000 aggregate principal amount of its First Mortgage Bonds, 3.22% Series due October 18, 2021 (the "Bonds"). This opinion letter is being delivered to you pursuant to Section 4.4(a) of the Bond Purchase Agreement dated October 18, 2011 (the "Agreement") between the Company and the Purchasers. All capitalized terms not otherwise defined herein shall have the meanings given those terms in the Agreement.

In the preparation of this opinion letter, we have examined originals or copies of such certificates, agreements, documents and other papers, and have made such inquiries and investigations of law, as we deemed appropriate and necessary for the opinion hereinafter set forth. In our examination, we have assumed, without independent verification or investigation, the genuineness of all signatures, the legal capacity of all individuals executing documents, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such latter documents. In rendering the opinion herein as to the authentication of the Bonds, we have relied upon our examination of a facsimile of an executed certificate of authentication with respect thereto and certifications of the Trustee with respect to the due authentication thereof without further investigation. As to certain matters of fact material to the opinions expressed herein, we have relied upon the representations and warranties of the Company in the Agreement and on certificates of various corporate officers of the Company and public officials. We assume the accuracy of the material and factual matters contained therein.

We have also relied upon (i) the representations of the Purchasers contained in Sections 6.1 and 6.2 of the Agreement, and (ii) the representations of J.P. Morgan Securities LLC, as placement agent (the "Agent"), contained in the Agent's offeree letters dated October 18, 2011 (the "Agent's Certification"), without independent investigation, confirmation or analysis of the data therein. We

have further assumed, without independent verification or investigation, (a) that the representations of the Agent in the Agent's Certification are true and correct, (b) that the Agent has complied and will comply with the agreements set forth therein, (c) that the representations of the Purchasers in Sections 6.1 and 6.2 of the Agreement are true and correct, and (d) that each Purchaser has complied and will comply with the agreements set forth therein.

With respect to the opinion expressed in paragraph 7, we have assumed that you are not a broker or dealer (as defined in sections 3(a)(4) and 3(a)(5) below of the Securities Exchange Act of 1934, as amended), a member of a national securities exchange or a person associated with a broker or dealer (as defined in section 3(a)(18) of the Securities Exchange Act of 1934, as amended).

This opinion letter is limited to the laws of the State of South Carolina and, to the extent expressly stated herein, applicable federal laws, and we express no opinion as to any laws of any other jurisdiction, including, without limitation, the laws of Georgia.

Based upon the foregoing, and subject to the qualifications set forth herein, we are of the opinion that:

1. The Company is validly existing as a corporation under the laws of the State of South Carolina and has the corporate power to own and operate the properties now owned and proposed to be owned by it and to conduct its business as now conducted and proposed to be conducted, in each case, as described in the Offering Materials.

2. The Mortgage has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument enforceable against the Company in accordance with its terms.

3. The Bonds have been duly authorized by the necessary corporate action, have been duly executed, authenticated, issued and delivered, and constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, are entitled to the security and benefits of the Mortgage and are secured equally and ratably with all other bonds issued under the Mortgage.

4. The Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding agreement enforceable against the Company in accordance with its terms.

5. The offer, sale and delivery of the Bonds by the Company to the Purchasers in accordance with the arrangements relating to offers, sales and deliveries of the Bonds contemplated by the Agreement and the Mortgage are not required to be registered under the Securities Act, and the Mortgage is not required to be qualified as an indenture under the Trust Indenture Act in connection with such offer, sale and delivery.

6. The Company is not an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended.

7. The issuance of the Bonds on the date hereof in accordance with the provisions of the Agreement and the use of proceeds from the sale of the Bonds applied in the manner contemplated by the Agreement do not violate Regulation T, U or X of the Board of Governors of the United States Federal Reserve System, 12 CFR, Part 220, Part 221 and Part 224, respectively.

In rendering the opinions set forth herein, we have relied, with your permission, upon the opinion letter of Ronald T. Lindsay, Esquire, General Counsel of the Company, of even date herewith, delivered pursuant to Section 4.4(a) of the Agreement, with respect to matters of title, property descriptions, recording fees and taxes and the filing, recordation and liens of the Mortgage. We express no opinion as to matters of title or as to the effectiveness of the provisions in the Mortgage relating to Georgia property.

In addition, we note for you that the enforceability of the Mortgage, the Bonds and the Agreement is subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting the rights of creditors generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, fair dealing and good faith, and the availability of equitable remedies such as specific performance and injunctive relief, regardless of whether such matters are considered in a proceeding at law or in equity. We further express no opinion regarding the enforceability of any indemnity or contribution provision in any document.

We further note that certain provisions of the Mortgage may not be enforceable in whole or in part, but (subject to the qualifications in the foregoing paragraphs) the inclusion of such provisions does not render the Mortgage invalid as a whole, and legally adequate rights and remedies nevertheless exist under the Mortgage and applicable law for pursuit of a claim under the Bonds and for the practical realization of the principal legal benefits of the security intended to be provided by the Mortgage.

This opinion letter is solely for your benefit, except that this opinion may be relied upon as of the date hereof by subsequent holders of the Bonds who are Institutional Investors, who have acquired the Bonds in accordance with the terms of the Mortgage, and who make the purchaser representations contained in the Agreement, on the condition and understanding that (i) this letter speaks only as of the date hereof, (ii) we have no responsibility or obligation to update this letter, to consider its applicability or correctness to other than its addressees, or to take into account changes in law, facts or any other developments of which we may later become aware, and (iii) any such reliance by any such future holder must be actual and reasonable under the circumstances existing at the time of acquisition, including any changes in law, facts or any other developments known to or reasonably knowable by the holder at such time.

This opinion letter is given as of the date hereof, and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

McNAIR LAW FIRM, P.A.

FORM OF OPINION OF SPECIAL COUNSEL TO THE PURCHASER

[SEE ATTACHED.]

October 18, 2011

To the purchasers of the Bonds
(defined below)

Re: \$30,000,000 First Mortgage Bonds, 3.22% Series due October 18, 2021
of

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Ladies and Gentlemen:

We have acted as your special counsel in connection with your respective purchases this date of \$30,000,000 aggregate principal amount of First Mortgage Bonds, 3.22% Series due October 18, 2021 (the "*Bonds*") of SOUTH CAROLINA ELECTRIC & GAS COMPANY, a South Carolina corporation (the "*Company*"), issued under and in accordance with the Indenture, dated as of April 1, 1993, from the Company to The Bank of New York Mellon Trust Company, N.A. (successor to Nationsbank of Georgia, National Association), as trustee, as supplemented by the First Supplemental Indenture, dated as of June 1, 1993 and the Second Supplemental Indenture dated as of June 15, 1993 (collectively, the "*Mortgage*") and the Bond Purchase Agreement dated as of October 18, 2011 between the Company and each of you (the "*Bond Purchase Agreement*"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Bond Purchase Agreement. This opinion is delivered to you pursuant to Section 4.4(b) of the Bond Purchase Agreement.

In connection with the foregoing, we have examined the following:

- (i) the Mortgage;
- (ii) the Bond Purchase Agreement executed and delivered by the Company;
- (iii) the Bonds executed and delivered by the Company on the date hereof;
- (iv) the opinions of Ronald T. Lindsay, Esq., General Counsel for the Company, and McNair Law Firm, P.A., as special counsel to the Company, each dated the date hereof and delivered responsive to Section 4.4(a) of the Bond Purchase Agreement;

(v) certificates of officers of the Company, dated the date hereof, with respect to the matters set forth therein delivered to you pursuant to Section 4.3 of the Bond Purchase Agreement;

(vi) such other documents, records, instruments and certificates of public officials as we have deemed necessary or appropriate to enable us to render this opinion; and

(vii) a letter, dated October 18, 2011 addressed to McNair Law Firm, P.A., the Company and our firm from J.P. Morgan Securities LLC describing the manner of the offering of the Bonds (the "*Offeree Letter*").

We believe that the opinions referred to in clause (iv) above are satisfactory in scope and form and nothing has come to our attention which would lead us to believe that you are not justified in relying thereon.

As to all matters of fact we have relied solely upon (a) the representations and warranties of the Company and you set forth in the Bond Purchase Agreement, (b) the certificates of public officials and of the officers of the Company, and (c) the Offeree Letter, and have assumed, without independent inquiry, the accuracy of such representations, warranties and certificates, and of the Offeree Letter.

For purposes of this opinion, we have made such examination of law as we have deemed necessary. This opinion is limited solely to the Federal laws of the United States of America, and we express no opinion as to the laws of any other jurisdiction.

We express no opinions as to any anti-fraud securities, "blue sky," anti-trust or tax laws of any jurisdiction.

Based upon the foregoing, it is our opinion that the issuance, sale and delivery of the Bonds under the circumstances contemplated by the Bond Purchase Agreement does not, under existing law, require the registration of the Bonds under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

This opinion is being furnished only to you in connection with the purchase of the Bonds pursuant to the Bond Purchase Agreement, and is not to be used, quoted, relied upon or otherwise referred to by any other Person or for any other purposes without our prior written consent, except that this opinion may be reviewed, but not relied upon, by legal and regulatory authorities and potential transferees of the Bonds and may be relied upon as of the date hereof by subsequent holders of the Bonds who are Institutional Investors and who have acquired the Bonds in accordance with the terms of the Bond Purchase Agreement and the Mortgage as if

such subsequent holders were original addressees hereon. This opinion is based on factual matters in existence as of the date hereof and laws and regulations in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such factual matters change or should such laws or regulations be changed by legislative or regulatory action, judicial decision or otherwise.

Respectfully submitted,

N.R.Mann:A.L.Olshansky